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INTERSTATE COMMERCE COMMISSION

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EQUIPMENT TRUST AGREEMENT

Dated as of May 1, 1975

between

MANUFACTURERS HANOVER TRUST COMPANY,
Trustee,

and

FIRST SECURITY BANK OF UTAH, NATIONAL ASSOCIATION,
as Trustee for Steiner Sea, Air & Rail Co.

EQUIPMENT TRUST AGREEMENT dated as of May 1, 1975, between MANUFACTURERS HANOVER TRUST COMPANY, as Trustee hereunder (hereinafter called the Trustee), and FIRST SECURITY BANK OF UTAH, NATIONAL ASSOCIATION (hereinafter together with its successors called the Owner), acting not in its individual capacity but solely as Trustee under a Trust Agreement dated as of January 1, 1975 (hereinafter called the Trust Agreement), with Steiner Sea, Air & Rail Co. (hereinafter called the Beneficiary):

WHEREAS the Owner agrees to cause to be transferred to the Trustee the railroad equipment described in Schedule A hereto, subject to the provisions hereof; and

WHEREAS security title to such railroad equipment is to be vested in and is to be retained by the Trustee as security for the obligations of the Owner hereunder and of the Lessee under the Lease and Consent (the Lessee, the Lease and Consent being hereinafter defined), and such railroad equipment is to be leased to the Owner hereunder until full title is transferred to the Owner under the provisions hereof; and

WHEREAS Equipment Trust Certificates (hereinafter called Trust Certificates) are to be issued and sold hereunder in an aggregate principal amount not exceeding \$3,800,000 at any time outstanding, at a price not less than 100% of the principal amount thereof, and the proceeds of the issuance thereof are to be deposited with the Trustee to constitute a fund equal to the aggregate principal amount of Trust Certificates so issued and sold to be applied by the Trustee in part payment of the cost of the Trust Equipment (as hereinafter defined), the remainder of the cost thereof to be paid by the Owner as provided herein; and

WHEREAS the Owner has entered into a Lease of Equipment dated as of January 1, 1975, as amended by an Amendment Agreement dated as of the date hereof (such Lease, as so amended, being hereinafter called the Lease), with Trailer Train Company (hereinafter called the Lessee) pursuant to which the Owner has leased railroad equipment to the Lessee; and

WHEREAS the Lease is being assigned by the Owner to the Trustee as security for the obligations of the Owner hereunder and of the Lessee under the Lease and the Consent pursuant to an Assignment of Lease and Agreement dated as of the date hereof; and

WHEREAS the Lessee is entering into a Consent and Agreement (herein called a Consent) to the Assignment of Lease and Agreement, whereby the Lessee agrees to make all payments provided for in the Lease or sums equivalent thereto; and

WHEREAS the text of the Trust Certificates is to be substantially in the following form:

[FORM OF TRUST CERTIFICATE]

THE REGISTERED HOLDER HEREOF HAS REPRESENTED THAT IT HAS ACQUIRED THIS CERTIFICATE FOR INVESTMENT AND NOT WITH A VIEW TO, OR FOR SALE IN CONNECTION WITH, ANY DISTRIBUTION THEREOF. ACCORDINGLY, THIS CERTIFICATE HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AND MAY NOT BE SOLD, TRANSFERRED, PLEDGED OR HYPOTHECATED EXCEPT IN COMPLIANCE WITH SUCH ACT.

\$

No.

EQUIPMENT TRUST DUE MAY 1, 1990

EQUIPMENT TRUST CERTIFICATE

Total Authorized Issue

\$3,800,000

MANUFACTURERS HANOVER TRUST COMPANY, TRUSTEE

Interest at the Rate of 10-1/4% Per Annum Payable

May 1 and November 1

MANUFACTURERS HANOVER TRUST COMPANY (hereinafter called the Trustee), as trustee under an Equipment Trust Agreement dated as of May 1, 1975 (hereinafter called the Agreement), between the Trustee and FIRST SECURITY BANK OF UTAH, NATIONAL ASSOCIATION (hereinafter called the Owner), acting not in its individual capacity but solely as Trustee under a Trust Agreement dated as of January 1, 1975, with Steiner Sea, Air & Rail Co., hereby certifies that

or registered assigns, is entitled to an interest in the principal amount of \$ in the EQUIPMENT TRUST DUE MAY 1, 1990, payable in instalments as hereinafter provided, and to interest on the unpaid principal amount represented by this Certificate from the date hereof until the principal amount hereof is due and payable, at the rate of 10-1/4% per annum, payable semiannually on May 1 and November 1 in each year, commencing November 1, 1975, with interest at the rate of 11-1/4% per annum on any overdue principal and interest to the extent that it shall be legally enforceable. Payments of instalments of principal and interest shall be made by the Trustee to the registered holder hereof at the corporate trust office of the Trustee in the Borough of Manhattan, in The City of New York, in such coin or currency of the United States of America as at the time of payment shall be legal tender for the payment of public and private debts, but payable only out of rentals or other moneys received by the Trustee and applicable to such payment under the provisions of the Agreement. Interest due hereunder shall be calculated on the basis of a 360-day year of twelve 30-day months.

The principal amount of this Certificate is due and payable in semiannual instalments on May 1 and November 1 in each year, commencing November 1, 1975, and continuing to and including May 1, 1990, calculated so that the aggregate of the principal and interest payments payable on each such date shall be substantially equal and such instalments of principal shall completely amortize the principal amount of this Certificate, subject to proportionate reduction in the event of prepayment out of moneys deposited with the Trustee on account of Casualty

Occurrences (as defined in the Agreement). Any such prepayment of this Certificate shall be at 100% of the principal amount hereof to be prepaid, together with accrued interest to the date fixed for prepayment.

This Certificate is one of an authorized issue of Certificates in an aggregate principal amount outstanding not exceeding the Total Authorized Issue set forth above, issued or to be issued under and subject to the terms of the Agreement, under which certain railroad equipment leased to the Owner and in turn leased to Trailer Train Company and certain moneys are and are to be held by the Trustee in trust for the equal and ratable benefit of the holders of Certificates, to which Agreement (a copy of which is on file with the Trustee at its said office) reference is made for a full statement of the rights and obligations of the Owner, the duties and immunities of the Trustee and the rights of the holder hereof thereunder. The Owner has no personal liability to the holders of the Certificates and the obligations of the Owner under the Agreement are limited as provided therein.

The Certificates are issuable only as fully registered Certificates and are interchangeable without charge upon presentation thereof for that purpose at said office of the Trustee, but only in the manner and subject to the limitations provided in the Agreement.

Subject to the restrictions set forth above, the transfer of this Certificate in whole or in part may be registered on the books of the Trustee upon surrender to the Trustee, in person or by duly authorized attorney, at its said office of this Certificate accompanied by a written instrument of transfer, duly executed by the registered holder in person or by such attorney, in form satisfactory to the Trustee, and thereupon a new Certificate or Certificates for the then aggregate unpaid principal amount hereof will be issued to the transferee in exchange herefor and, if less than the then entire unpaid principal amount hereof is transferred, a balance piece therefor will be issued to the transferor. Prior to due presentment for registration of transfer, the Trustee may treat the person in whose name this Certificate is registered as the absolute owner hereof for the purpose of receiving payment of principal and interest and for all other purposes, and shall not be affected by any notice to the contrary.

In case of the occurrence of an Event of Default (as defined in the Agreement), the principal amount represented by this Certificate (and interest accrued thereon) may be declared due and payable, as provided in the Agreement.

As more fully set forth in Section 5.04 of the Agreement, the liability of the Owner under the Agreement shall not exceed an amount equal to the "income and proceeds from the Trust Equipment", as defined in the Agreement.

IN WITNESS WHEREOF, the Trustee has caused this Certificate to be signed, manually or by facsimile, by one of its Vice Presidents and its corporate seal or a facsimile thereof to be hereunto imprinted and to be attested by one of its Assistant Trust Officers by his manual signature.

Dated as of:

MANUFACTURERS HANOVER TRUST
COMPANY,

Trustee,

by

Vice President

ATTEST:

Assistant Trust Officer

WHEREAS it is desired to secure for the holders of the Trust Certificates the payment of the principal thereof with interest thereon, as hereinafter provided, and to evidence the rights of the holders of the Trust Certificates in substantially the form hereinbefore set forth;

NOW, THEREFORE, in consideration of the mutual covenants and promises herein contained, the parties hereto hereby agree as follows:

ARTICLE ONE

Definitions

SECTION 1.01. Definitions. The following terms (except as otherwise expressly provided or unless the context otherwise requires) for all purposes of this Agreement shall have the respective meanings hereafter specified:

Business Day shall mean any calendar day, excluding Saturday, Sunday and legal holidays or days on which banking institutions are authorized by law to be closed in New York, New York.

Casualty Occurrence shall mean any occurrence specified in Section 5.07 hereof to be a Casualty Occurrence.

Consent shall mean the Lessee's Consent and Agreement, dated as of the date hereof, in the form annexed to the Lease Assignment.

Corporate Trust Office shall mean the office of the Trustee in New York, New York, at which the corporate trust business of the Trustee shall, at the time in question, be principally administered, which office is, at the date of execution of this Agreement, located at 40 Wall Street, New York, New York 10015.

Cost, when used with respect to Equipment, shall mean the Purchase Price as defined in the Manufacturing Agreement covering such Equipment, as evidenced by a Manufacturer's invoice with respect to such Equipment.

Deposited Cash shall mean the proceeds from the sale of the Trust Certificates deposited with the Trustee pursuant to Section 2.01.

Equipment shall mean new standard gauge railroad equipment, first put into service no earlier than the date of delivery to and acceptance under the Lease, but, except as otherwise provided in the Lease, shall not include any special devices, racks or assemblies at any time attached or affixed to any such equipment, the cost or purchase price of which is not included in the Cost of such equipment and the title to which is in a person other than the Owner, the Lessee or the Trustee.

Event of Default shall mean any event specified in Section 6.01 hereof to be an Event of Default.

The Fair Value of any unit of Trust Equipment on any date shall be deemed to be an amount computed by multiplying the unpaid principal amount of the Trust Certificates outstanding on such date (after giving effect to any payment in respect thereof on such date pursuant to Section 5.04 hereof) by a fraction of which the numerator shall be the Cost of such unit and the denominator shall be the Cost of all units (including such unit) subject to the trust on such date.

The term holder, when used with respect to Trust Certificates, shall mean the registered owner of a Trust Certificate.

Lease shall mean the Lease of Equipment dated as of January 1, 1975, between the Owner and the Lessee, amended so as to be substantially in the form of Exhibit A hereto, as the same may be further supplemented or amended as contemplated hereby or thereby.

Lease Assignment shall mean the Assignment of Lease and Agreement dated as of the date hereof, between the Owner and the Trustee, substantially in the form of Exhibit B hereto.

Manufacturer shall mean Pullman Incorporated (Pullman-Standard division).

Manufacturing Agreement shall mean a Manufacturing Agreement dated as of January 1, 1975, between the Lessee and the Manufacturer, as the same may be supplemented or amended as contemplated hereby or thereby.

Officer's Certificate shall mean a certificate signed by the President, a Vice President, the Secretary, the Treasurer, an Assistant Treasurer or an Authorized

Officer of the Owner or the Lessee, as the case may be.

Opinion of Counsel shall mean an opinion of counsel (who may be counsel to the Owner or the Lessee) satisfactory to the Trustee.

Penalty Rate, in the case of any Trust Certificate, shall mean the interest rate specified therein plus 1% per annum.

The term person shall mean any individual, corporation, partnership, joint venture, association, joint-stock company, trust, unincorporated organization or government or any agency or political subdivision thereof.

Purchase Agreement shall mean the Purchase Agreement dated as of the date hereof among the Lessee, the Owner and the parties named in Annex I thereto.

Request shall mean a written request for the action therein specified signed on behalf of the Owner or the Lessee by the President, any Vice President, the Treasurer, an Assistant Treasurer or an Authorized Officer of the Owner or the Lessee, as the case may be, and delivered to the Trustee.

Trust Agreement shall mean the Trust Agreement dated as of January 1, 1975, between the Owner and the Beneficiary.

Trust Certificates shall mean the Equipment Trust Certificates issued hereunder.

Trust Equipment shall mean all Equipment at the time subject to the terms of this Agreement.

Trustee shall mean Manufacturers Hanover Trust Company, a corporation duly organized and existing under the laws of the State of New York, and any successor as trustee hereunder.

All references herein to Articles, Sections and other subdivisions refer to the corresponding Articles, Sections and other subdivisions of this Agreement; and the words herein, hereof, hereby, hereto, hereunder and words of similar import refer to this Agreement as a whole and not to any particular Article, Section or subdivision hereof.

ARTICLE TWO

Trust Certificates and Issuance Thereof

SECTION 2.01. Issuance of Trust Certificates.

The proceeds of the sale of the Trust Certificates shall, forthwith upon the issuance thereof, be deposited with the Trustee as provided in the Purchase Agreement. Simultaneously, the Trustee shall issue and deliver, in accordance with the Purchase Agreement or in accordance with a Request of the Owner, Trust Certificates substantially in the form set forth herein in the aggregate principal amount so sold.

The aggregate principal amount of Trust Certificates which shall be executed and delivered by the Trustee hereunder and shall be outstanding at any time shall not exceed the Total Authorized Issue stated in the form of Trust Certificate.

SECTION 2.02. Interests Represented by Trust Certificates; Interest; Maturity. Each of the Trust Certificates shall represent an interest in the principal amount therein specified in the trust created hereunder. Each Trust Certificate shall bear interest on the unpaid principal amount thereof at the rate per annum set forth in the form of Trust Certificate contained herein payable semiannually on May 1 and November 1 in each year, commencing November 1, 1975, with interest payable on any overdue principal and interest at the Penalty Rate, to the extent that it shall be legally enforceable. Interest on the Trust Certificates shall be calculated on the basis of a 360-day year of twelve 30-day months.

Subject to the provisions of Article Three hereof respecting prepayment of Trust Certificates, the aggregate principal amount of the Trust Certificates shall be payable in semiannual instalments on each May 1 and November 1 commencing November 1, 1975, to and including May 1, 1990, calculated so that the aggregate of principal and interest payments payable on each such date shall be substantially equal and such instalments of principal shall completely amortize the principal amount of the Trust Certificates. The Trustee shall furnish each holder of Trust Certificates an amortization schedule setting forth the respective amounts of principal and interest payable on each such date.

The principal of and interest on the Trust Certificates shall be payable at the Corporate Trust Office in such

coin or currency of the United States of America as at the time of payment shall be legal tender for the payment of public and private debts, but only from and out of rentals or other moneys received by the Trustee and applicable to such payment under the provisions hereof. Notwithstanding the provisions of the preceding sentence of this paragraph, in the case of payments of principal and interest to be made on a Trust Certificate not then to be paid in full, upon request and deposit of an agreement (or, if approved by the Trustee, a copy of an agreement) of the holder of such Trust Certificate (the responsibility of such holder to be satisfactory to the Trustee) obligating such holder, prior to any transfer or other disposition thereof, to surrender the same to the Trustee for a new Trust Certificate for the unpaid principal amount represented thereby on the date of such surrender, the Trustee will, subject to timely receipt of the necessary funds, mail its check, or on ten days' prior request of the holder, wire by 11:00 a.m., New York time, funds immediately available to such holder on such date, to such holder at his address shown on the registry books maintained by the Trustee or at such other address as may be directed in writing by such holder without requiring the surrender of such Trust Certificate; provided, however, that the deposit of an agreement pursuant to this paragraph shall not be required of any original purchaser of Trust Certificates.

SECTION 2.03. Form, Execution and Characteristics of Trust Certificates.

(a) The Trust Certificates shall be in substantially the form hereinbefore set forth.

(b) The Trust Certificates shall be signed in the name and on behalf of the Trustee by the manual or facsimile signature of one of its Vice Presidents or one of its Assistant Vice Presidents and its corporate seal or a facsimile thereof shall be affixed or imprinted thereon and attested by the manual signature of its Secretary or one of its Assistant Secretaries or one of its Assistant Trust Officers. In case any officer of the Trustee whose signature, whether facsimile or not, shall appear on any Trust Certificate shall cease to be such officer of the Trustee before such Trust Certificate shall have been issued and delivered by the Trustee or shall not have been acting in such capacity on the date of such Trust Certificate, such Trust Certificate shall be adopted by the Trustee and be issued and delivered as though such person had at all times been such officer of the Trustee.

(c) The Trust Certificates (i) shall be registered, as to both principal and interest, in the names of the holders; (ii) shall be registrable as to transfer in whole or in part upon presentation and surrender thereof for registration of transfer at the Corporate Trust Office, accompanied by appropriate instruments of assignment and transfer, duly executed by the holder of the surrendered Trust Certificate or Certificates or by duly authorized attorney, in form satisfactory to the Trustee; (iii) shall be dated as of the date of issue, or if issued in exchange for or upon the transfer of another Trust Certificate or Certificates bearing unpaid interest from an earlier date, dated as of such earlier date; (iv) shall entitle the holders to interest from the date thereof; and (v) shall be exchangeable at the Corporate Trust Office for an equal aggregate principal amount of Trust Certificates of like tenor.

(d) Anything contained herein to the contrary notwithstanding, prior to due presentment for registration of transfer, the parties hereto may deem and treat the holder of any Trust Certificate as the absolute owner of such Trust Certificate for all purposes and shall not be affected by any notice to the contrary.

(e) The Trustee shall cause to be kept at the Corporate Trust Office books for the registration of the Trust Certificates and the registration of transfers of the Trust Certificates and upon presentation of any Trust Certificate for such purpose, the Trustee shall register any transfer as hereinabove provided, under such reasonable regulations as it may prescribe and subject to the provisions of subparagraph (h) of this Section 2.03.

(f) No service charge shall be made for any registration of transfer or exchange of Trust Certificates, but the Trustee shall require the payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with any such transfer or exchange.

(g) Each Trust Certificate delivered pursuant to any provision of this Agreement in exchange or substitution for, or upon the registration of transfer of the whole or any part, as the case may be, of one or more other Trust Certificates, shall be issued in principal amount equal to the unpaid principal amount or amounts of such one or more other Trust Certificates, shall carry all the rights to interest accrued and unpaid and to accrue, which were

carried by the whole or such part, as the case may be, of such one or more other Trust Certificates, and, notwithstanding anything contained in this Agreement, such Trust Certificate shall be so dated that neither gain nor loss in interest shall result from such exchange, substitution or transfer.

(h) The Trustee shall not be required (i) to register the transfer of or exchange any Trust Certificate for a period of ten Business Days next preceding any interest payment date, (ii) to issue, register the transfer of or exchange any Trust Certificate during a period beginning at the opening of business 15 days before any selection of Trust Certificates to be prepaid and ending at the close of business on the day of the mailing of the relevant notice of prepayment, (iii) to register the transfer of or exchange any Trust Certificate so selected for prepayment in whole or in part until after the date fixed for prepayment or (iv) to register any transfer of Trust Certificates unless the Trustee has received approval of the Lessee or the Trustee is satisfied that such transfer is exempt from the registration requirements of the Securities Act of 1933, as amended.

SECTION 2.04. Replacement of Mutilated, Defaced, Lost, Stolen or Destroyed Trust Certificates. In case any Trust Certificate shall become mutilated or defaced or be lost, stolen or destroyed, then on the terms herein set forth, and not otherwise, the Trustee shall execute and deliver a new Trust Certificate of like tenor and date as the mutilated, defaced, lost, stolen or destroyed Trust Certificate, in exchange and substitution for, and upon cancelation of, the mutilated or defaced Trust Certificate, or in lieu of and in substitution for the same if lost, stolen or destroyed. The applicant for a new Trust Certificate shall furnish to the Trustee evidence to its satisfaction of the loss, theft or destruction of such Trust Certificate alleged to have been lost, stolen or destroyed, and of the ownership and authenticity of such mutilated, defaced, lost, stolen or destroyed Trust Certificate, and shall furnish such security or indemnity as may be required by the Trustee (except in the case of original holders of Trust Certificates), and shall pay all expenses and charges of such exchange or substitution. All Trust Certificates shall be issued, held and owned upon the express condition that the foregoing provisions are exclusive in respect of the replacement of mutilated, defaced, lost, stolen or destroyed Trust Certificates and shall preclude any and all other rights

and remedies, any law or statute now existing or hereafter enacted to the contrary notwithstanding.

SECTION 2.05. Legal Holidays. If the date fixed for payment of principal of or interest on any Trust Certificate is not a Business Day, then (notwithstanding any other provision of this Agreement or the Trust Certificates) such payment need not be made on such date but may be made on the next succeeding Business Day with the same force and effect as if made on the nominal payment date and no interest shall be paid on such next succeeding Business Day for the period from and after such nominal payment date.

ARTICLE THREE

Prepayment of Trust Certificates

SECTION 3.01. Right of Prepayment. The Trust Certificates are required to be prepaid pursuant to Section 5.07 hereof in part on any May 1 or November 1 through the application of moneys paid to the Trustee at 100% of the principal amount thereof to be prepaid, together with accrued interest to the date fixed for prepayment. Except as provided in this Article Three and Article Six hereof, Trust Certificates may not be prepaid prior to the maturity thereof.

SECTION 3.02. Selection of Trust Certificates for Prepayment; Notice of Prepayment.

(a) On or before the tenth day next preceding a date on which Trust Certificates are to be prepaid pursuant to Section 3.01 hereof, the Trustee shall select for prepayment, subject to the provisions of the next succeeding sentence, a principal amount of Trust Certificates so as to exhaust any amount in cash to be paid to it pursuant to Section 5.07 hereof. The Trustee shall select for prepayment on each prepayment date a principal amount of Trust Certificates registered in the name of each holder which bears the same ratio to the aggregate principal amount of Trust Certificates to be prepaid on such prepayment date as (y) the aggregate principal amount of Trust Certificates registered in the name of such holder on a date selected by the Trustee not more than 15 days prior to the selection by the Trustee of Trust Certificates for prepayment on such prepayment date bears to (z) the aggregate principal amount of Trust Certificates outstanding on such date.

(b) The Trustee shall send a notice of prepayment by first class mail, postage prepaid, at least ten days prior to each prepayment date to the holders of Trust Certificates to be prepaid in whole or in part, at their last addresses as they shall appear upon the registry books. Failure to give such notice, or any defect therein, as to any Trust Certificate shall not affect the validity of the proceedings for the prepayment of any other Trust Certificate. Any notice which is mailed in the manner herein provided shall be conclusively presumed to have been duly given, whether or not the holder receives the notice.

(c) The notice of prepayment to each holder shall (i) specify the date for prepayment, (ii) state that prepayment of the principal amount of the Trust Certificates or portions thereof to be prepaid will be made by the Trustee only from and out of moneys paid to the Trustee by the Owner or the Lessee and applicable thereto and, unless such prepayment is to be made pursuant to the second sentence of the third paragraph of Section 2.02 hereof, that such prepayment will be made at the Corporate Trust Office, upon presentation and surrender of Trust Certificates so to be prepaid, (iii) state the aggregate principal amount of Trust Certificates to be prepaid in whole or in part and the distinctive numbers of the Trust Certificates of such holder to be prepaid and, in the case of any such Trust Certificates to be prepaid in part, the principal amount thereof to be so prepaid, and (iv) state that from and after such prepayment date interest on such Trust Certificates or on the portions thereof to be prepaid will cease to accrue. The holders of Trust Certificates prepaid in part may, at their option and upon surrender thereof, receive new Trust Certificates for the principal amounts remaining unpaid without charge to such holders.

SECTION 3.03. Payment of Trust Certificates Selected for Prepayment. Notice of prepayment having been given as above provided, the Trust Certificates or portions thereof to be prepaid shall become due and payable on such prepayment date and from and after such prepayment date interest on such Trust Certificates or portions thereof shall cease to accrue, and there having been deposited with the Trustee on or before the prepayment date specified in the notice of prepayment, an amount in cash equal to the aggregate principal amount of all the Trust Certificates or portions thereof then to be prepaid and accrued interest, such Trust Certificates or portions thereof shall no longer be deemed to be outstanding hereunder and shall cease to be entitled

to the benefits of this Agreement except to receive payment from the moneys reserved therefor in the hands of the Trustee. The Trustee shall hold the prepayment moneys in trust for the holders of the Trust Certificates or portions thereof to be prepaid and (subject to the provisions of the second sentence of the third paragraph of Section 2.02 hereof) shall pay the same to such holders respectively upon presentation and surrender of such Trust Certificates.

Except as provided in Sections 2.02 and 3.02 hereof, all Trust Certificates prepaid under this Article Three shall be canceled by the Trustee and no Trust Certificates shall be issued hereunder in place thereof.

ARTICLE FOUR

Acquisition of Trust Equipment by Trustee; Deposited Cash

SECTION 4.01. Acquisition of Equipment by Trustee. The Owner shall cause to be sold, assigned and transferred to the Trustee, as trustee for the holders of the Trust Certificates, and as security for the payment thereof, the Equipment described and set forth in Schedule A hereto. Such Equipment has been or will be delivered to the Lessee, which is hereby designated by the Trustee as its agent to receive such delivery, and an Officer's Certificate as to such delivery shall be conclusive evidence of such delivery.

In the event that it may be deemed necessary or desirable to include in the trust created hereby other Equipment in lieu of any of the Equipment specifically described in Schedule A hereto prior to the delivery of such Equipment described in Schedule A to the Lessee, the Owner may, in its discretion, cause such other Equipment to be sold, assigned and transferred to the Trustee, to be substituted under such trust. In the event of any such substitution, the Owner and the Trustee shall execute an agreement supplemental hereto providing for the inclusion of such Equipment in this Agreement.

Any units of Equipment not settled for pursuant to this Article Four on or before May 1, 1975 (herein called the Cut-Off Date), shall be excluded from this Agreement and not included in the term Trust Equipment.

In the event of any such exclusion or substitution, the Owner and the Trustee shall execute an agreement supplemental hereto limiting this Agreement to the Trust Equipment theretofore accepted and settled for hereunder and, in the case of units of Equipment delivered but not so settled for, the Trustee shall execute a bill or bills of sale (without warranties) for such units to the original owner or owners thereof (or to such party as such owner or owners may designate) and the Trustee shall execute for record in public offices, at the expense of the Owner, such instrument or instruments in writing as reasonably shall be requested by such party in order to make clear upon public records such party's full title to such Trust Equipment under the laws of any jurisdiction.

SECTION 4.02. Payment of Deposited Cash. On any Closing Date (as defined in the Manufacturing Agreement), the Trustee shall, subject to the provisions of Sections 4.03 and 4.04 hereof, pay upon Request of the Owner to the Manufacturer of the Equipment transferred to the Trustee by the Owner out of Deposited Cash an amount specified in such Request not exceeding 75.99% of the aggregate Cost of such Equipment; provided, however, that no Event of Default, or any event which, with notice and/or lapse of time, could result in an Event of Default, has occurred hereunder or under the Lease.

SECTION 4.03. Payment of Deficiency. The Owner covenants that, contemporaneously with any payment by the Trustee pursuant to Section 4.02 hereof with respect to any Equipment transferred to the Trustee by the Owner, but subject to the provisions of Section 4.04 hereof, it will pay to the Manufacturer of such Equipment that portion of the Cost of such Equipment not paid out of Deposited Cash as provided for in Section 4.02 hereof. Unless the Owner shall otherwise agree, the total Cost of such equipment shall not exceed \$5,000,000 and the portion of such Cost paid by the Owner shall not exceed 24.01% thereof.

SECTION 4.04. Supporting Papers. The Trustee shall not pay out any Deposited Cash pursuant to Section 4.02 hereof with respect to any Equipment unless and until it shall have received, in respect of such Equipment:

- (a) an Officer's Certificate of the Lessee stating that (i) the Equipment described and specified therein by number or numbers has been delivered on the date

or dates set forth therein and has been marked in accordance with the provisions of Section 5.06 hereof, (ii) such Equipment is Equipment as herein defined, (iii) such Equipment was first put into service no earlier than the date of delivery to and acceptance by the Lessee, as agent for the Owner, (iv) the Cost of such Equipment is an amount therein specified as evidenced by an invoice or invoices of the Manufacturer thereof, which invoices shall specify all special devices, racks or assemblies the cost of which is included in the Cost, and (v) no Event of Default or any event which, with notice and/or lapse of time, could result in an Event of Default, has occurred hereunder or under the Lease;

(b) evidence of payment of the amount to be paid to the Manufacturer pursuant to Section 4.03 hereof unless such payment is made by the Trustee with funds furnished to it for that purpose by the Owner;

(c) a bill or bills of sale from the Manufacturer transferring and assigning security title to the Equipment to the Trustee, warranting to the Trustee, the Owner and the Lessee that at the time of delivery of such Equipment to the Lessee as agent for the Owner, the Manufacturer had legal title to the Equipment described therein and good and lawful right to sell such Equipment and that title to such Equipment was, at the time of such delivery, free from all claims, liens, security interests and other encumbrances of any nature except as created by a Manufacturing Agreement and this Agreement and except for the rights of the Lessee under the Lease;

(d) an opinion of counsel for the Manufacturer of such Equipment addressed to the Trustee and the Owner to the effect that (i) such Manufacturer is a duly organized and existing corporation in good standing under the laws of the state of its incorporation, (ii) the Manufacturing Agreement has been duly authorized, executed and delivered by such Manufacturer and, assuming the due authorization, execution and delivery by the Lessee, is a legal and valid instrument binding upon and enforceable against such Manufacturer in accordance with its terms, (iii) the units of such Equipment, at the time of delivery thereof, were free of all claims, liens, security interests and other encumbrances of

any nature except as created by such Manufacturing Agreement or the Lease and (iv) such bill or bills of sale have been duly authorized, executed and delivered by such Manufacturer and are valid and effective to transfer security title, free of all claims, liens, security interests or other encumbrances of any nature of or arising from, through or under such Manufacturer, to such Equipment to the Trustee;

(e) a bill or bills of sale from the Owner consenting to such bill or bills of sale from the Manufacturer and confirming to the Trustee that security title to such equipment is vested in the Trustee and warranting to the Trustee that such security title is free from all claims, liens, security interests and other encumbrances of any nature except as created by this Agreement and except for the rights of the Lessee under the Lease;

(f) an Opinion of Counsel for the Owner addressed to the Trustee and the Owner to the effect that (i) the bill or bills of sale from the Owner are valid and effective, either alone or in connection with any other instrument referred to in and accompanying such opinion, to vest in the Trustee security title to such Equipment free from all claims, liens, security interests and other encumbrances, resulting from any action by the Owner, other than as provided in subparagraph (e) above and (ii) the Lease, Lease Assignment and any supplements thereto have been duly authorized, executed and delivered by the Owner and, assuming due authorization, execution and delivery thereof by the other parties thereto, constitute legal, valid and binding agreements, enforceable against the Owner in accordance with their terms;

(g) an Opinion of Counsel for the Lessee addressed to the Trustee and the Owner to the effect that (i) the Lease, Participation Agreement, Manufacturing Agreement, any supplements thereto and assignments thereof, and Consent have been duly authorized, executed and delivered by the Lessee and, assuming the due authorization, execution and delivery thereof by the other parties thereto, constitute valid, legal and binding agreements, enforceable in accordance with their terms and (ii) the Lease, the Lease Assignment, this Agreement and any supplements hereto and thereto have been duly filed and recorded with the Interstate Commerce Commission

pursuant to Section 20c of the Interstate Commerce Act, and such filing and recordation will protect the Trustee's title and interest in and to such Equipment and such Lease and no other filing, recording or deposit (or giving of notice) with any Federal, state or local government or agency or instrumentality thereof is necessary to protect the title and interests of the Trustee in and to such Equipment and the Lease in the United States of America;

(h) in the case of any Trust Equipment not specifically described in Annex A hereto, an Opinion of Counsel addressed to the Trustee that a proper supplement hereto in respect of such Trust Equipment has been duly executed by the Trustee and the Owner, that a proper supplement to the Lease in respect of such Trust Equipment has been duly executed by the Owner and the Lessee and that each of such supplements has been duly filed and recorded in accordance with Section 7.03 hereof; and

(i) such other documents as the Trustee may reasonably request.

Counsel may qualify any opinion specified above to the effect that any agreement is enforceable against the parties thereto in accordance with its terms by a general reference to limitations as to enforceability imposed by bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting the enforcement of creditors' rights generally.

ARTICLE FIVE

Lease of Trust Equipment to the Owner

SECTION 5.01. Lease of Trust Equipment. The Trustee does hereby let and lease, as herein provided, all the units of Trust Equipment transferred to the Trustee by the Owner to the Owner, for a term ending on May 1, 1990.

SECTION 5.02. Substituted Equipment Subject Hereto. In the event that the Owner shall, as provided in Section 4.01 hereof, cause to be transferred to the Trustee other Equipment in substitution for any of the Equipment herein specifically described, such other Equipment shall be included as part of the Trust Equipment by supplement hereto to be

executed by the Trustee and the Owner and shall be subject to all the terms and conditions hereof in all respects as though it had been part of the Trust Equipment herein specifically described.

SECTION 5.03. Equipment Automatically Subjected.

As and when any Equipment shall from time to time be accepted under a Manufacturing Agreement, the same shall be deemed accepted hereunder immediately upon execution and delivery hereof and shall at that time, ipso facto and without further instrument or lease, transfer or acceptance except as expressly provided herein, pass under and become subject to all the terms and provisions hereof.

SECTION 5.04. Rental Payments. The Owner hereby

accepts the lease of the units of Trust Equipment transferred by the Owner to the Trustee hereunder and covenants and agrees to accept delivery and possession hereunder of such Trust Equipment as hereinbefore provided; and the Owner covenants and agrees to pay to the Trustee (or, in the case of taxes, to the proper taxing authority), in such coin or currency of the United States of America as at the time of payment shall be legal tender for the payment of public and private debts, amounts (herein called "rent" or "rentals") which shall be sufficient to pay and discharge the following items, when and as the same shall become due and payable:

(a) from time to time upon demand of the Trustee
(i) the necessary and reasonable expenses of the trust hereby created, including compensation and expenses provided for herein;

(b) from time to time upon demand of the Trustee any and all taxes, assessments and governmental charges upon or on account of the income or property of the trust, or upon or on account of this Agreement, which the Trustee as such may be required to pay;

(c)(i) the amount of the interest payable on the Trust Certificates, when and as the same shall become payable, and (ii) interest at the Penalty Rate from the due date, upon the amount of any instalments of rental payable under this subparagraph (c) and the following subparagraph (d) which shall not be paid when due, to the extent legally enforceable; and

(d) the instalments of principal of the Trust Certificates, when and as the same shall become payable, whether upon the stated date of maturity thereof or otherwise under the provisions thereof or of this Agreement.

Nothing contained herein or in the Trust Certificates shall be deemed to impose on the Trustee or on the Owner (except as provided in paragraph (b) above) any obligation to pay to the holder of any Trust Certificate any tax, assessment or governmental charge required by any present or future law of the United States of America or of any State, county, municipality or other taxing authority thereof to be paid by or in behalf of, or withheld from the amount payable to, the holder of any Trust Certificate. The Owner shall not be required to pay any tax, assessment or governmental charge pursuant to paragraph (b) above so long as it or the Lessee shall in good faith and by appropriate legal proceedings contest the validity thereof; provided, however, that in the judgment of the Trustee, and as set forth in an Opinion of Counsel which shall have been furnished to the Trustee by the Owner or the Lessee, the rights or interests of the Trustee and of the holders of the Trust Certificates will not be materially endangered thereby.

Notwithstanding any other provisions of this Agreement, including, without limitation, Articles Six and Seven hereof, it is understood and agreed by the Trustee on behalf of itself and the holders of the Trust Certificates that liability of the Owner for all payments to be made by it under and pursuant to this Agreement (other than the payments called for by Section 4.03 hereof) and for all performance obligations, shall not exceed an amount equal to the income and proceeds from the Trust Equipment. As used herein the term "income and proceeds from the Trust Equipment" shall mean (i) if an Event of Default shall have occurred and while it shall be continuing so much of the following amounts as are indefeasibly received by the Owner (or any assignee of the Owner) at any time after any Event of Default and during the continuance thereof: (a) all amounts of rental and amounts in respect of Casualty Occurrences paid for or with respect to such Trust Equipment pursuant to the Lease and (b) any and all other payments or proceeds received pursuant to the Lease or for or with respect to such Trust Equipment as the result of the sale, lease or other disposition thereof, after deducting all costs and expenses of such sale, lease

or other disposition and (ii) at any other time only that portion of the amounts referred to in the foregoing clauses (a) and (b) or otherwise payable to the Owner pursuant to such Lease as are indefeasibly received by the Owner or any assignee of the Owner and as shall equal the rental payments specified in the first paragraph of this Section 5.04 due and payable by the Owner on the date such amounts so received were required to be paid pursuant to the Lease or as shall equal any other payments (including payments in respect of Casualty Occurrences) then due and payable under this Agreement; it being understood that "income and proceeds from the Trust Equipment" shall in no event include amounts referred to in the foregoing clauses (a) and (b) which were received by the Owner or any assignee of the Owner prior to the existence of such an Event of Default which exceeded the amounts required to make the rental payments specified in the first paragraph of this Section 5.04 due and payable by the Owner on the date on which amounts with respect thereto received by the Owner or any assignee of the Owner were required to be paid pursuant to the Lease or which exceeded any other payments due and payable under this Agreement at the time such amounts were payable under the Lease. The Trustee agrees that if it obtains a judgment against the Owner for an amount in excess of the amounts payable by the Owner pursuant to the limitations set forth in this paragraph, it will, accordingly, limit its execution of such judgment to such amount and it will not bring suit against the Owner for any sums in addition to the amounts payable by the Owner pursuant to said limitations (or obtain a judgment, order or decree against the Owner for any relief other than the payment of money) except as may be required by applicable rules of procedure to enforce, by appropriate proceedings against the Owner at law or in equity or otherwise, the obligation to make the payments to be made pursuant to this Section 5.04 or any other payments or performance obligations due to the Trustee under this Agreement against the Trust Equipment, the Lessee and the Lease (rather than against the Owner personally). Nothing contained herein limiting the liability of the Owner shall derogate from the right of the Trustee to proceed against the Trust Equipment or the Lessee as provided for herein or in the Lease or the Consent for the full unpaid principal amount of the Trust Certificates and interest thereon.

SECTION 5.05. Termination. The conveyance to the Trustee of security title to units of Trust Equipment by the Owner pursuant to this Agreement is solely to secure the performance by the Owner of its obligations under this

Agreement and the payment of all sums payable pursuant to this Agreement (without regard to the provisions of the last paragraph of Section 5.04 hereof) and beneficial ownership in and to such units of Trust Equipment shall be and remain in the Owner subject to the performance of all such obligations under this Agreement and the payment of all such sums. Accordingly, after all payments due or to become due hereunder shall have been completed and fully made to or for the account of the Trustee and the Owner shall have performed all its other obligations hereunder (without regard to the provisions of the last paragraph of Section 5.04 hereof), (a) such payments shall be deemed to represent the discharge in full of the Trustee's security interest in the Trust Equipment at such time, (b) any moneys remaining in the hands of the Trustee after providing for all outstanding Trust Certificates and after paying the expenses of the Trustee, including its reasonable compensation, shall be paid to the Owner, (c) full title to the Trust Equipment shall vest in the Owner and (d) the Trustee shall execute for record in public offices such instrument or instruments in writing as reasonably shall be requested by the Owner in order to make clear upon public records the Owner's full title to such units of the Trust Equipment under the laws of any jurisdiction; provided, however, that until that time security title to the Trust Equipment shall be and remain in the Trustee, notwithstanding the possession and use thereof by the Owner pursuant to the terms of this Agreement.

SECTION 5.06. Marking of Trust Equipment. The Owner agrees that it will cause each unit of the Trust Equipment to be kept plainly, distinctly, permanently and conspicuously marked on each side of such unit, in letters not less than one inch in height, the following words:

"OWNED BY A BANK OR TRUST COMPANY UNDER A SECURITY AGREEMENT FILED UNDER THE INTERSTATE COMMERCE ACT, SECTION 20c"

or other appropriate words designated by the Trustee, with appropriate changes thereof and additions thereto as from time to time may be required by law or reasonably requested in order to protect the security title of the Trustee to such unit and the rights of the Trustee under this Agreement.

The Owner will not place or permit any unit of the Trust Equipment to be placed in operation or exercise

any control or dominion over the same until such words have been so marked on both sides thereof and will replace or cause to be replaced promptly any such words which may be removed, defaced or destroyed. The Owner shall not change, or permit to be changed, the identifying number of any unit of the Trust Equipment except in accordance with a statement of new identifying numbers to be substituted therefor, which statement previously shall have been filed with the Trustee and filed, recorded or deposited in all public offices where this Agreement shall have been filed, recorded or deposited.

Except as above provided, the Owner will not allow the name of any person to be placed on the units of the Trust Equipment as a designation that might be interpreted as a claim of full legal ownership; provided, however, that the Owner may permit the Trust Equipment to be lettered with the names, initials or other insignia customarily used by the Lessee on railroad equipment used by it of the same or a similar type for convenience of identification of its right to use the Trust Equipment under the Lease, and the Trust Equipment may be lettered in an appropriate manner for convenience of identification of the interest of the Lessee therein.

SECTION 5.07. Maintenance of Trust Equipment;
Casualty Occurrences. The Owner agrees that it will maintain or cause to be maintained and keep or cause to be kept the Trust Equipment in good order and proper repair at its own cost and expense, unless and until worn out beyond repair, lost, stolen, destroyed, or irreparably damaged, from any cause whatsoever, or taken or requisitioned by condemnation or otherwise (any of such occurrences being hereinafter called a Casualty Occurrence).

Whenever any unit of the Trust Equipment shall suffer a Casualty Occurrence, the Owner shall, promptly after it is informed of such Casualty Occurrence under the Lease, cause the Lessee to deliver to the Trustee an Officer's Certificate describing such Trust Equipment and stating the amount to be deposited with the Trustee as hereinafter in this Section 5.07 provided and (except as provided in the fourth paragraph of this Section 5.07) the method of determination of the Fair Value of such unit. On the rental payment date next succeeding the delivery of such Officer's Certificate (or, in the event such rental payment date will occur within 60 days after such delivery, on the following rental payment date), the Owner shall deposit with the Trustee (subject to the provisions of the last paragraph of Section

5.04 hereof) an amount in cash equal to the Fair Value of such unit as of such date and, upon such payment, the security title of the Trustee to such unit shall terminate and full title to such unit shall vest in the Owner and, upon Request, the Trustee shall execute for recording in public offices, at the expense of the Owner, such instrument or instruments in writing as reasonably shall be specified by the Owner and accompanying such Request in order to make clear upon public records the Owner's full title to such unit under the laws of any jurisdiction. The rights and remedies of the Trustee to enforce or to recover any of the rental payments shall not be affected by reason of any Casualty Occurrence.

Any moneys deposited with the Trustee pursuant to the next preceding paragraph shall be applied by the Trustee, on the rental payment date in respect of which such moneys are required to be deposited, to the prepayment of Trust Certificates on said date as provided in Article Three hereof.

Anything contained herein to the contrary notwithstanding, in the event that any unit of the Trust Equipment shall suffer a Casualty Occurrence, and the Owner shall have been informed thereof under the Lease, prior to the settlement for such unit pursuant to Article Four hereof, the Officer's Certificate describing such unit shall state the Cost of such unit (rather than the determination of the Fair Value thereof) as shown on the invoice therefor delivered or to be delivered to the Trustee pursuant to Section 4.04(a) hereof, and the Owner will, in lieu of making the payments otherwise required pursuant to the second paragraph of this Section 5.07 and Section 4.03 hereof, pay or cause the Lessee to pay directly to the Manufacturer, on the Closing Date, an amount in cash equal to such Cost, and accrued rental under the Lease thereon, which payment shall, without further action by the Owner, have the same effect and entitle the Owner to the same rights and privileges hereunder as if the Owner had directed the Trustee to exclude such unit from the trust created hereby pursuant to the second paragraph of Section 4.01 hereof.

The Owner covenants and agrees to furnish to the Trustee, on or before April 1 in each year, commencing with the year 1976, an Officer's Certificate, as of the preceding December 31, (i) showing the amount, description and numbers of all of its respective units of Trust Equipment then subject hereto and the amount, description and numbers

of all such units of Trust Equipment that may have suffered a Casualty Occurrence during the preceding 12 months (or since the date of this Agreement in the case of the first such Officer's Certificate) or have been withdrawn from use pending repair (other than normal running repairs), and such other information regarding the condition and state of repair of such units of Trust Equipment as the Trustee may reasonably request and (ii) stating that in the case of all such units of Trust Equipment repainted or repaired during the period covered thereby the marks required by Section 5.06 hereof have been preserved or replaced. The Trustee, by its agents, shall have the right once in each calendar year, but shall be under no duty, to inspect the records of the Owner with respect to the Trust Equipment, and the Owner covenants in that event to furnish to the Trustee all reasonable facilities for the making of such inspection.

SECTION 5.08. Possession of Trust Equipment.

So long as no Event of Default has occurred and is continuing hereunder, the Owner shall be entitled to the possession and use of the Trust Equipment and also to enter into the Lease, and to permit the use of the Trust Equipment as provided in the Lease. The Owner hereby agrees that the Lease and the rights of the Owner to receive rentals and other payments due and to become due thereunder, shall be subject and subordinate to this Agreement and to the rights of the Trustee and the holders of Trust Certificates under the Consent.

Except as permitted by the Trust Agreement, the Owner will not sell, assign or transfer its rights under this Agreement or, except as provided in this Section 5.08, transfer the right to possession of any unit of the Trust Equipment. The Owner will not amend or consent to any change in the Trust Agreement without the prior written consent of the Trustee.

SECTION 5.09. Indemnity; Compliance with Laws and Rules. The Owner covenants and agrees to indemnify and save harmless the Trustee against any charge or claim made against the Trustee and against any expense, loss or liability (including but not limited to counsel fees and expenses, patent liabilities, penalties and interest) which the Trustee may incur in any manner by reason of the issuance of the Trust Certificates or by reason of entering into or performing this Agreement, any of the instruments or agreements referred

to herein or contemplated hereby or the ownership of, or which may arise in any manner out of or as the result of the ordering, acquisition, purchase, use, operation, condition, delivery, rejection, storage or return of, any unit of the Trust Equipment while subject to this Agreement or until no longer in the possession of or stored by the Owner or the Lessee, whichever is later, and to indemnify and save harmless the Trustee against any charge, claim, expense, loss or liability on account of any accident in connection with the operation, use, condition, possession or storage of any unit of the Trust Equipment resulting in damage to property, or injury to or death of any person. The indemnities contained in this paragraph shall survive payment of all other obligations under this Agreement and the Trust Certificates and the termination of this Agreement. The Owner agrees to comply in all respects with all laws of the jurisdictions in which operations involving any unit subject to this Agreement may extend, with the Interchange Rules of the Association of American Railroads, if applicable, and with all lawful rules of the Interstate Commerce Commission, if applicable, the Federal Railroad Administrator and any other legislative, executive, administrative or judicial body or officer exercising any power or jurisdiction over any such unit, to the extent such laws and rules affect the operations or use of such unit; and the Owner shall and does hereby indemnify the Trustee and agrees to hold the Trustee harmless from and against any and all liability that may arise from any infringement or violation of any such laws or rules by the Owner or any other person. In the event that such laws or rules require the alteration of any such unit or in case any equipment or appliance on any such unit shall be required to be changed or replaced, or in case any additional or other equipment or appliance is required to be installed on such unit in order to comply with such laws and rules, the Owner agrees to make such alterations, changes, additions and replacements at its own expense and to use, maintain and operate such unit in full compliance with such laws and rules so long as such unit is subject to this Agreement; provided, however, that the Owner or the Lessee may, in good faith, contest the validity or application of any such law or rule in any reasonable manner which does not, in the opinion of the Trustee, adversely affect the property or rights of the Trustee or the holders of the Trust Certificates.

ARTICLE SIX

Events of Default and Remedies

SECTION 6.01. Events of Default. The Owner covenants and agrees that, without regard to any limitation of liability contained in Sections 5.04 and 10.06 hereof, in case:

(a) the Owner shall default in the payment of any part of the rental payable under Sections 5.04(c) and (d) hereof for more than ten days after the same shall have become due and payable, or

(b) the Owner shall, for more than 30 days after the Trustee shall have demanded in writing performance thereof, fail or refuse to comply with any other of the terms and covenants hereof on its part to be kept and performed, or to make provision satisfactory to the Trustee for such compliance, or

(c) the Owner, except as herein authorized or contemplated, shall make or suffer any unauthorized transfer or sublease (including, for the purpose of this clause, contracts for the use thereof) of any unit of the Trust Equipment, or shall part with the possession of any of the Trust Equipment, and shall fail or refuse either to cause such transfer or sublease to be canceled by agreement of all parties having any interest therein or recover possession of such Trust Equipment, as the case may be, within 30 days after the Trustee shall have demanded in writing such cancellation or recovery of possession, or within said 30 days to deposit with the Trustee a sum in cash equal to the Fair Value of such unit of Trust Equipment (any sum so deposited to be returned to the Owner upon the cancellation of such transfer or sublease or the recovery of possession by the Owner of such Trust Equipment), or

(d) any proceeding shall be commenced by or against the Owner for any relief under any bankruptcy or insolvency laws, or laws relating to the relief of debtors, readjustments of indebtedness, reorganizations, arrangements, compositions or extensions (other than a law which does not permit any readjustment of the obligations hereunder of the Owner) and, unless such proceedings shall have been dismissed, nullified, stayed or

otherwise rendered ineffective (but then only so long as such stay shall continue in force or such ineffectiveness shall continue), all the obligations of the Owner shall not have been duly assumed in writing, pursuant to a court order or decree, by a trustee or trustees or receiver or receivers appointed (whether or not subject to ratification) for the Owner or for the property of the Owner in connection with any such proceedings in such manner that such obligations have the same status as expenses of administration and obligations incurred by such a trustee or trustees or receiver or receivers, within 30 days after such appointment, if any, or 60 days after such proceedings shall have been commenced, whichever shall be earlier, or

(e) an Event of Default under and as defined in the Lease shall have occurred and be continuing, or

(f) any representation of the Lessee made in the Purchase Agreement or pursuant thereto shall prove to have been false in any material respect on the date as of which made,

then, in any such case (herein sometimes called an Event of Default), and so long as such Event of Default shall be continuing, the Trustee in its discretion may, and upon the written request of the holders of not less than 25% in principal amount of the then outstanding Trust Certificates shall, by notice in writing delivered to the Owner declare to be due and payable forthwith the entire amount of the rentals (including any unpaid rental then due, but not including rentals required for the payment of interest accruing after the date of such declaration) payable by the Owner as set forth in Section 5.04 hereof for the entire remaining term of the lease evidenced hereby and not heretofore paid. Thereupon the entire amount of such rentals shall forthwith become and shall be due and payable immediately without further demand, together with interest at the Penalty Rate, to the extent legally enforceable, on any portion thereof overdue.

In addition, in case one or more Events of Default shall happen and be continuing, the Trustee in its discretion may, and upon the written request of the holders of not less than 25% in principal amount of the then outstanding Trust Certificates shall, by notice in writing delivered to the Owner, declare the principal of all the Trust Certificates

then outstanding to be due and payable, and thereupon the same shall become and be immediately due and payable.

In case the Owner shall fail to pay any instalment of rental payable pursuant to Section 5.04(c) or (d) hereof when and as the same shall have become due and payable hereunder, and such default shall have continued for a period of ten days, the Trustee, in its own name and as trustee of an express trust, shall be entitled and empowered to institute any action or proceedings at law or in equity for the collection of the rentals so due and unpaid, and may prosecute any such action or proceedings to judgment or final decree, and may enforce any such judgment or final decree against the Owner and collect in the manner provided by law out of the property of the Owner (including the Trust Equipment), wherever situated, the moneys adjudged or decreed to be payable (subject to the provisions of the last paragraph of Section 5.04 hereof).

In case there shall be pending proceedings for the bankruptcy or for the reorganization of the Owner under the Bankruptcy Act or any other applicable law, or in case a receiver or trustee shall have been appointed for the property of the Owner, or in case of any other judicial proceedings relative to the winding up or liquidation of the affairs or property of the Owner, or to the creditors or property of the Owner, the Trustee, irrespective of whether the rental payments hereunder or the principal amount of the Trust Certificates shall then be due and payable as herein or therein expressed whether by declaration or otherwise and irrespective of whether the Trustee shall have made any demand or declaration pursuant to the provisions of this Section 6.01, shall be entitled and empowered, by intervention in such proceedings or otherwise, to file and prove a claim or claims for the entire amount of the rentals and to file such other papers or documents as may be necessary or advisable in order to have the claims of the Trustee (including any claim for reasonable compensation to the Trustee, its agents, attorneys and counsel, and for reimbursement of all expenses and liabilities incurred, and all advances made, by the Trustee) and of the holders of the Trust Certificates allowed in such proceedings and to collect and receive any moneys or other property payable or deliverable on any such claims, and to distribute all amounts received with respect to the claims of the holders of the Trust Certificates and of the Trustee on their behalf; and any receiver, assignee or trustee in bankruptcy or reorganization is hereby authorized by each of the holders of the Trust Certificates to make payments to

the Trustee, and, in the event that the Trustee shall consent to the making of payments directly to the holders of the Trust Certificates, to pay to the Trustee such amount as shall be sufficient to cover reasonable compensation to the Trustee, its agents, attorneys and counsel, and all other expenses and liabilities incurred, and all advances made, by the Trustee.

All rights of action and to assert claims under this Agreement, or under any of the Trust Certificates, may be enforced by the Trustee without the possession of any of the Trust Certificates or the production thereof on any trial or other proceedings relative thereto, and any such action or proceeding instituted by the Trustee shall be brought in its own name and as trustee of an express trust, and any recovery of judgment shall be for the ratable benefit of the holders of the Trust Certificates. In any proceedings brought by the Trustee (and also any proceedings involving the interpretation of any provision of this Agreement to which the Trustee shall be a party) the Trustee shall be held to represent all the holders of the Trust Certificates, and it shall not be necessary to make any holders of the Trust Certificates parties to such proceedings.

SECTION 6.02. Remedies. In case an Event of Default shall occur and be continuing and the Trustee shall have declared due and payable the entire amount of the rentals as provided in Section 6.01 hereof, the Trustee may, upon five days' notice and subject to any mandatory requirements of law, by its agents enter upon the premises where any of the Trust Equipment may be and take possession of all or any part of the Trust Equipment and withdraw the same from said premises, retaining all payments which up to that time may have been made on account of rental for the Trust Equipment and otherwise, and shall be entitled to collect, receive, retain and apply in accordance with Section 6.03 hereof all unpaid per diem, mileage or other charges of any kind earned by the Trust Equipment or any part thereof, and may lease the Trust Equipment or any part thereof; or the Trustee may with or without retaking possession sell all or any part of the Trust Equipment, free from any and all claims of the Owner at law or in equity, in one lot and as an entirety or in separate lots, at public or private sale, for cash or upon credit, in its discretion, and may proceed otherwise to enforce its rights and the rights of the holders of the outstanding Trust Certificates in the manner herein provided; provided, however, that if, prior to such sale or the making of a con-

tract therefor, or within 30 days after the Trustee shall have notified the Owner of its intention to take possession, withdraw, or lease the Trust Equipment (which notice the Trustee agrees to furnish in case it intends to take possession, withdraw, or lease), the Owner should tender full payment of the total unpaid principal of all the Trust Certificates then outstanding, together with interest thereon accrued and unpaid and all other amounts due under this Agreement as well as all expenses of the Trustee in taking possession of, storing, preparing the Trust Equipment for, and otherwise arranging for, the sale or leasing of the Trust Equipment, including reasonable attorneys' fees, then in such event absolute right to the possession of, title to and property in the Trust Equipment shall pass to and vest in the Owner. Upon any such public sale, the Trustee itself or any holder of Trust Certificates may bid for the property offered for sale or any part thereof. Any such sale may be held or conducted at such place and at such time as the Trustee may specify, or as may be required by law, and without gathering at the place of sale the Trust Equipment to be sold, and in general in such manner as the Trustee may determine, but so that any sale is held in a commercially reasonable manner and the Owner has received ten day's notice of and has a reasonable opportunity to bid at any such sale. Upon such taking possession or withdrawal or lease or sale of the Trust Equipment, the Owner shall cease to have any rights or remedies in respect of the Trust Equipment hereunder (except as provided in Section 6.03 hereof), but all such rights and remedies shall be deemed thenceforth to have been waived and surrendered by the Owner, and no payments theretofore made by the Owner for the rent or use of the Trust Equipment or any of it shall, in case of the happening of any Event of Default and such taking possession, withdrawal, lease or sale by the Trustee, give to the Owner any legal or equitable interest or title in or to the Trust Equipment or any of it or any cause or right of action at law or in equity in respect of the Trust Equipment against the Trustee or the holders of the outstanding Trust Certificates. No such taking possession, withdrawal, lease or sale of the Trust Equipment by the Trustee shall be a bar to the recovery by the Trustee from the Owner of rentals then or thereafter due and payable, and the Owner (subject to the provisions of the last paragraph of Section 5.04 hereof) shall be and remain liable for the same until such sums shall have been received by the Trustee as, with the proceeds of the lease or sale of the Trust Equipment, shall be sufficient for the discharge and payment in full of all the items mentioned in Section 5.04 hereof (other

than interest not then accrued), whether or not they shall have then matured.

SECTION 6.03. Application of Proceeds. If an Event of Default shall occur and be continuing and the Trustee shall exercise any of the powers conferred upon it by Sections 6.01 and 6.02 hereof, all payments made by the Owner to the Trustee hereunder after such Event of Default, and the proceeds of any judgment collected hereunder from the Owner by the Trustee, and the proceeds of every sale or lease by the Trustee of any of the Trust Equipment, together with any other sums which may then be held by the Trustee under any of the provisions hereof (other than sums held in trust for the payment of specific Trust Certificates pursuant to Section 3.03 hereof), shall be applied by the Trustee to the payment in the following order of priority: (a) of all proper charges, expenses or advances made or incurred by the Trustee in accordance with the provisions of this Agreement, and (b) of the interest then due, with interest on overdue interest at the Penalty Rate to the extent legally enforceable, and of the principal of all the outstanding Trust Certificates, with interest thereon at the Penalty Rate to the extent legally enforceable from the last preceding interest payment date, whether such Trust Certificates shall have then matured by their terms or not, all such payments to be in full if such proceeds shall be sufficient, and if not sufficient, first to the payment of interest then due, with interest on overdue interest to the extent legally enforceable, and second to the principal then outstanding.

If after applying all such sums of money realized by the Trustee as aforesaid there shall remain any amount due to the Trustee under the provisions hereof, the Owner (subject to the provisions of the last paragraph of Section 5.04 hereof) agrees to pay the amount of such deficit to the Trustee. If after applying as aforesaid the sums of money realized by the Trustee there shall remain a surplus in the possession of the Trustee, such surplus shall be paid to the Owner (excluding the Cost of any unit for which the Fair Value has been paid pursuant to Section 5.07).

SECTION 6.04. Waivers of Default. If at any time after the principal of all the Trust Certificates shall have been declared and become due and payable or if at any time after the entire amount of rentals shall have been declared and become due and payable, all as in Section 6.01 hereof provided, but before May 1, 1990, all arrears of rent (with

interest at the Penalty Rate upon any overdue instalments to the extent legally enforceable), the expenses and reasonable compensation of the Trustee, together with all expenses of the trust occasioned by the Owner's default, and all other sums which shall have become due and payable by the Owner hereunder (other than the principal of Trust Certificates and any other rental instalments which shall not at the time have matured according to their terms), shall be paid by the Owner (irrespective of the provisions of the last paragraph of Section 5.04 hereof) before any sale or lease by the Trustee of any of the Trust Equipment, and every other default in the observance or performance of any covenant or condition hereof shall be made good or secured to the satisfaction of the Trustee, or provision deemed by the Trustee to be adequate shall be made therefor, then, and in every such case, the Trustee, if so requested or consented to by the holders of two-thirds of the principal amount of Trust Certificates then outstanding, shall by written notice to the Owner waive the default by reason of which there shall have been such declaration or declarations and the consequences of such default, but no such waiver shall extend to or affect any subsequent default or impair any right consequent thereon.

SECTION 6.05. Obligations of Owner Not Affected by Remedies. No retaking of possession of the Trust Equipment by the Trustee, or any withdrawal, lease or sale thereof, nor any action or failure or omission to act against the Owner or in respect of the Trust Equipment, on the part of the Trustee or on the part of the holder of any Trust Certificate, nor any delay or indulgence granted to the Owner by the Trustee or by any such holder shall affect the obligations of the Owner hereunder. The Owner hereby waives presentation and demand in respect of any of the Trust Certificates and waives notice of presentation, of demand and of any default in the payment of the principal of and interest on the Trust Certificates.

SECTION 6.06. Owner to Deliver Trust Equipment to Trustee. In case the Trustee shall demand possession of the Trust Equipment pursuant to the provisions hereof, the Owner shall at its own expense (subject to the provisions of the last paragraph of Section 5.04 hereof) promptly cause the Trust Equipment to be transported to such point or points as shall reasonably be designated by the Trustee and shall there deliver or cause to be delivered the same to the Trustee, or the Trustee may at its option keep the Trust Equipment, without expense to the Trustee, on any lines of railroad or prem-

ises approved by the Trustee until the Trustee shall have leased, sold or otherwise disposed of the same. It is hereby expressly covenanted and agreed that the performance of the aforesaid covenant is of the essence of this Agreement and that upon application to any court having jurisdiction in the premises, the Trustee shall be entitled to a decree against the Owner requiring the specific performance thereof.

SECTION 6.07. Trustee to Give Notice of Default. The Trustee shall give to the holders of the Trust Certificates notice of each Event of Default hereunder known to the Trustee, within 30 days after it learns of the same, unless remedied or cured before the giving of such notice.

SECTION 6.08. Control by Holders of Trust Certificates. The holders of a majority in aggregate unpaid principal amount of the then outstanding Trust Certificates, by an instrument or instruments in writing executed and delivered to the Trustee, shall have the right to direct the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred on the Trustee; provided, however, that the Trustee shall have the right to decline to follow any such direction if the Trustee shall be advised by counsel that the action so directed would be in conflict with any other provision of this Agreement or any rule of law.

SECTION 6.09. Unconditional Right of Holders of Trust Certificates to Sue for Principal and Interest. Notwithstanding any other provision in this Agreement, the right of any holder of any Trust Certificate to receive payment of the principal of, and interest on, such Trust Certificate, on or after the respective due dates expressed in such Trust Certificate, or to institute suit (subject to the provisions of the last paragraph of Section 5.04) for the enforcement of any such payment on or after such respective dates, shall not be impaired or affected without the consent of such holder, except that no such suit shall be instituted if and to the extent that the institution or prosecution thereof or the entry therein would, under applicable law, result in the surrender, impairment, waiver or loss of the security title reserved under this Agreement upon any property subject hereto.

SECTION 6.10. Remedies Cumulative; Subject to Mandatory Requirements of Law. The remedies in this Agreement provided in favor of the Trustee and the holders of the Trust

Certificates, or any of them, shall not be deemed exclusive, but shall be cumulative, and shall be in addition to all other remedies in their favor existing at law or in equity and such remedies so provided in this Agreement shall be subject in all respects to any mandatory requirements of law at the time applicable thereto, to the extent such requirements may not be waived on the part of the Owner.

ARTICLE SEVEN

Additional Covenants and Agreements by the Owner

SECTION 7.01. Discharge of Liens. The Owner covenants and agrees that, subject to the provisions of Section 5.04 hereof, it will pay and discharge, or cause to be paid and discharged or make adequate provision for the satisfaction or discharge of, any debt, tax, charge, assessment, obligation or claim which if unpaid might become a lien or charge upon or against any of the Trust Equipment, except upon the interest of the Owner in the Trust Equipment as such interest is subordinate hereto, or of the leasehold interest of the Lessee in the Trust Equipment; provided, however, that this provision shall not require the payment of any such debt, tax, charge, assessment, obligation or claim so long as the validity thereof shall be contested in good faith and by appropriate legal proceedings, provided that such contest will not materially endanger the rights or interests of the Trustee or of the holders of the Trust Certificates and the Owner shall have furnished the Trustee with an Opinion of Counsel to such effect. If the Owner does not forthwith pay and discharge, or cause to be paid and discharged, or make adequate provision for the satisfaction or discharge of, any such debt, tax, charge, assessment, obligation or claim as required by this Section 7.01, the Trustee may, but shall not be obligated to, pay and discharge the same and any amounts so paid shall be secured by and under this Agreement until reimbursed by the Owner.

SECTION 7.02. Recording. The Owner will, promptly after the execution and delivery of this Agreement, the Lease, the Lease Assignment and each supplement hereto and thereto, respectively, cause this Agreement, the Lease, the Lease Assignment and each such supplement to be duly filed and recorded with the Interstate Commerce Commission in accordance with Section 20c of the Interstate Commerce Act. The

Owner will from time to time do and perform any other act and will execute, acknowledge, deliver and file, register and record any and all further instruments required by law or reasonably requested by the Trustee for the purposes of proper protection of the security title of the Trustee and the rights of the holders of the Trust Certificates and of fully carrying out and effectuating this Agreement and the intent hereof, and will furnish an Opinion or Opinions of Counsel in connection with such filing, registration, and recordation; provided, however, that the Owner shall not be required to take any such action in respect of any jurisdiction outside the United States if (a) the Owner deems such action to be unduly burdensome and (b) after giving effect to the failure to take such action, the Owner has taken all action required by law to protect the security title of the Trustee to units of Trust Equipment having a Fair Value of not less than 85% of the aggregate Fair Value of all Trust Equipment.

SECTION 7.03. Further Assurances. The Owner covenants and agrees from time to time to do all such acts and execute all such instruments of further assurance as shall be reasonably requested by the Trustee to do or execute for the purpose of fully carrying out and effectuating this Agreement and the intent hereof.

ARTICLE EIGHT

Concerning the Holders of Trust Certificates

SECTION 8.01. Evidence of Action Taken by Holders of Trust Certificates. Whenever in this Agreement it is provided that the holders of a specified percentage in aggregate principal amount of the outstanding Trust Certificates may take any action (including the making of any demand or request, the giving of any notice, consent or waiver or the taking of any other action), the fact that at the time of taking any such action the holders of such specified percentage have joined therein may be evidenced by any instrument or any number of instruments of similar tenor executed by holders of Trust Certificates in person or by agent or proxy appointed in writing.

SECTION 8.02. Proof of Execution of Instruments and of Holding of Trust Certificates. Proof of the execution of any instrument by a holder of Trust Certificates or his

agent or proxy and proof of the holding by any person of any of the Trust Certificates shall be sufficient if made in the following manner:

The fact and date of the execution by any such person of any instrument may be proved by the certificate of any notary public or other officer of any jurisdiction within the United States of America authorized to administer oaths or to take acknowledgments of deeds to be recorded in such jurisdiction that the person executing such instrument acknowledged to him the execution thereof, or by an affidavit of a witness to such execution sworn to before any such notary or other such officer.

The ownership of Trust Certificates may be proved by the register of such Trust Certificates to be kept as provided in Section 2.03(e) hereof.

SECTION 8.03. Trust Certificates Owned by the Owner or the Lessee. In determining whether the holders of the requisite principal amount of the Trust Certificates have concurred in any direction, request or consent under this Agreement, Trust Certificates which are owned by the Owner, by the Lessee or by an affiliate of the Owner or the Lessee shall be disregarded, except that for the purpose of determining whether the Trustee shall be protected in relying on any such direction, request or consent, only Trust Certificates which the Trustee knows are owned shall be disregarded, and except that this Section 8.03 shall not be applicable to the Owner or an affiliate of the Owner if all the Trust Certificates are owned by the Owner or by one or more affiliates of the Owner.

SECTION 8.04. Right of Revocation of Action Taken. At any time prior to (but not after) the evidencing to the Trustee, as provided in Section 8.01 hereof, of the taking of any action by the holders of the required percentage in aggregate principal amount of the outstanding Trust Certificates specified in this Agreement, any holder of a Trust Certificate may, by filing written notice with the Trustee at the Corporate Trust Office and upon proof of holding as provided in Section 8.02 hereof, revoke such action in so far as concerns such Trust Certificate. Except as aforesaid, any such action taken by the holder of any Trust Certificate shall be conclusive and binding upon such holder and upon all future holders and owners of such Trust Certificate and of any Trust Certificate issued in exchange or substitution.

therefor, irrespective of whether or not any notation in regard thereto is made upon such Trust Certificate. Any action taken by the holders of the required percentage in aggregate principal amount of the outstanding Trust Certificates specified in this Agreement shall be conclusive and binding upon the Owner, the Trustee and the holders of all the Trust Certificates.

ARTICLE NINE

The Trustee

SECTION 9.01. Acceptance of Trust. The Trustee hereby accepts the trust imposed upon it by this Agreement and covenants and agrees to perform the same as herein expressed.

SECTION 9.02. Duties and Responsibilities of the Trustee. The Trustee shall exercise such of the rights and powers vested in it by this Agreement, and use the same degree of care and skill in their exercise, as a prudent man would exercise or use under the circumstances in the conduct of his own affairs.

No provision of this Agreement shall be construed to relieve the Trustee from liability for its own negligent action, its own negligent failure to act, or its own willful misconduct, except that

(a) prior to the occurrence of an Event of Default and after the curing of all Events of Default which may have occurred:

(1) the duties and obligations of the Trustee shall be determined solely by the express provisions of this Agreement, and the Trustee shall not be liable except for the performance of such duties and obligations as are specifically set forth in this Agreement, and no implied covenants or obligations shall be read into this Agreement against the Trustee; and

(2) in the absence of bad faith on the part of the Trustee, the Trustee may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon any certif-

icates or opinions furnished to the Trustee and conforming to the requirements of this Agreement; but in the case of any such certificates or opinions which by any provision hereof are specifically required to be furnished to the Trustee, the Trustee shall be under a duty to examine the same to determine whether or not they conform to the requirements of this Agreement;

(b) the Trustee shall not be liable for any error of judgment made in good faith, unless it shall be proved that the Trustee was negligent in ascertaining the pertinent facts or that its action or inaction was contrary to the express provisions of this Agreement;

(c) the Trustee shall not be liable with respect to any action taken or omitted to be taken by it in good faith in accordance with the direction of the holders of a majority in aggregate unpaid principal amount of the then outstanding Trust Certificates relating to the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust power conferred upon the Trustee, under this Agreement;

(d) the Trustee may rely and shall be protected in acting or refraining from acting upon any resolution, certificate, statement, instrument, opinion, report, notice, request, consent, order, Trust Certificate, guaranty or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or parties;

(who shall be Messrs. Crampton, Saxine & Moore, special

(e) the Trustee may consult with counsel, and any Opinion of Counsel shall be full and complete authorization and protection in respect of any action taken or suffered by it hereunder in good faith and in accordance with such Opinion of Counsel and not contrary to any express provision of this Agreement;

(f) the Trustee shall be under no obligation to exercise any of its rights or powers vested in it by this Agreement at the request, order or direction of any of the holders of the Trust Certificates, pursuant to the provisions of this Agreement, unless such holders shall have offered to the Trustee reasonable security or indemnity against the costs, expenses and liabilities

counsel for the Purchasers and the Trustee)

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which might be incurred therein or thereby to the extent such security or indemnity shall not be furnished by the Owner or the Lessee pursuant to the provisions hereof or of the Lease; and

(g) the Trustee shall not be liable for any action taken by it in good faith and believed by it to be authorized or within the discretion or rights or powers conferred upon it by this Agreement.

SECTION 9.03. Application of Rentals; Responsibility of Trustee to Insure or Record. The Trustee covenants and agrees to apply and distribute the rentals received by it under Section 5.04 hereof when and as the same shall be received, and to the extent that such rentals shall be sufficient therefor, for the purposes specified in said Section 5.04.

The Trustee shall not be required to undertake any act or duty in the way of insuring, taking care of or taking possession of the Trust Equipment or to undertake any other act or duty under this Agreement (except pursuant to express provisions hereof) until fully indemnified to its satisfaction by the Owner or by one or more of the holders of the Trust Certificates against all liability and expenses; and the Trustee shall not be responsible for the filing or recording or refiling or rerecording of this Agreement or of any supplement hereto.

SECTION 9.04. Funds May be Held by Trustee. Any moneys at any time paid to or held by the Trustee hereunder until paid out by the Trustee as herein provided may be carried as a general deposit and need not be segregated from other funds except to the extent required by law. The Trustee shall not be under any liability for interest on any moneys received by it hereunder except such as it may agree with the Owner to pay thereon.

SECTION 9.05. Trustee Not Liable for Delivery Delays or Defects in Equipment of Title. The Trustee shall not be liable to anyone for any delay in the delivery of any of the Trust Equipment, or for any default on the part of the Manufacturer thereof or of the Owner, or for any defect in any of the Trust Equipment or in the title thereto, nor shall anything herein be construed as a warranty on the part of the Trustee in respect thereof or as a representation in respect of the value thereof or in respect of the title thereto.

The Trustee may perform its powers and duties hereunder by or through such attorneys, agents and servants as it shall appoint, and shall be entitled to rely upon an Opinion of Counsel, and shall be answerable for only its own acts, negligence and willful defaults and not for the default or misconduct of any attorney, agent or servant appointed by it with reasonable care and in good faith. The Trustee shall not be responsible in any way for the recitals herein contained or for the execution or validity of this Agreement or of the Trust Certificates (except for its own execution thereof), or for any mistake of fact or law.

The Trustee shall be entitled to receive payment of all its expenses and disbursements hereunder, including reasonable counsel fees, and to receive reasonable compensation for all services rendered by it in the execution of the trust hereby created, all of which shall be paid by the Owner.

The Trustee in its individual capacity may own, hold and dispose of Trust Certificates with the same rights which it would have if it were not Trustee.

Any moneys at any time held by the Trustee hereunder shall, until paid out by the Trustee as herein provided, be held by it in trust as herein provided for the benefit of the holders of the Trust Certificates.

SECTION 9.06. Resignation and Removal; Appointment of Successor Trustee. (a) The Trustee may resign and be discharged of the trust created by this Agreement by giving 30 days' written notice to the Owner, the Lessee and the holders of the then outstanding Trust Certificates, but such resignation shall not take effect until receipt by the Trustee of an instrument of acceptance executed by a successor trustee as hereinafter provided in Section 9.07 hereof.

(b) The Trustee may be removed at any time by an instrument in writing signed by the holders of a majority in principal amount of the Trust Certificates then outstanding, delivered to the Trustee and to the Owner.

(c) If at any time the Trustee shall resign or be removed or otherwise become incapable of acting or if at any time a vacancy shall occur in the office of the Trustee for any other cause, a successor trustee may be appointed by the holders of a majority of the aggregate principal amount

of the then outstanding Trust Certificates by an instrument in writing delivered to the Owner and the Trustee. Until a successor trustee shall be appointed by the holders of Trust Certificates as herein authorized, the Owner, by an instrument in writing, shall appoint a trustee to fill such vacancy. A successor trustee so appointed by the Owner shall immediately and without further act be superseded by a successor trustee appointed by the holders of Trust Certificates in the manner provided above. Every successor trustee appointed pursuant to this Section 9.06 shall be a national bank, or a bank or trust company incorporated under the laws of the State of New York, having its principal office in the Borough of Manhattan in The City of New York, and having capital and surplus of not less than \$100,000,000, if there be such an institution willing, qualified and able to accept the trust upon reasonable or customary terms.

(d) The Owner shall give notice of each resignation, removal or incapacity of the then Trustee or of a vacancy occurring in the office of the Trustee for any other cause and of each appointment by the Owner of a successor trustee pursuant to paragraph (c) of this Section 9.06 by mailing written notice of such event by first class mail, postage prepaid, to the holders of all outstanding Trust Certificates.

SECTION 9.07. Acceptance of Appointment by Successor Trustee. Any successor trustee appointed as provided in Section 9.06 hereof shall execute, acknowledge and deliver to the Owner and to its predecessor trustee an instrument accepting such appointment hereunder, and thereupon the resignation or removal of the predecessor trustee shall become effective and such successor trustee, without any further act, deed or conveyance, shall become vested with all the rights, powers, duties and obligations of its predecessor hereunder, with like effect as if originally named as Trustee herein; but, nevertheless, on the written request of the Owner or of the successor trustee, upon payment of its charges then unpaid, the trustee ceasing to act shall execute and deliver an instrument transferring to such successor trustee all the rights and powers of the trustee so ceasing to act. Upon request of any such successor trustee, the Owner shall execute any and all instruments in writing for more fully and certainly vesting in and confirming to such successor trustee all such rights and powers. Any trustee ceasing to act shall, nevertheless, retain a lien upon all property or funds held or collected by such trustee to secure any amounts then due it pursuant to the provisions of Section 9.05 hereof.

SECTION 9.08. Merger or Consolidation of Trustee.

Any corporation into which the Trustee may be merged or with which it may be consolidated or any corporation resulting from any merger or consolidation to which the Trustee shall be a party or any corporation succeeding to all or substantially all the corporate trust business of the Trustee shall be the successor of the Trustee hereunder, provided that such corporation shall be qualified under the provisions of Section 9.06 hereof, without the execution or filing of any paper or any further act on the part of any of the parties hereto, anything herein to the contrary notwithstanding.

ARTICLE TEN

Miscellaneous

SECTION 10.01 Rights Confined to Parties and Holders. Nothing expressed or implied herein is intended or shall be construed to confer upon or to give to any person, other than the parties hereto and the holders of the Trust Certificates, any right, remedy or claim under or by reason of this Agreement or of any term, covenant or condition hereof, and all the terms, covenants, conditions, promises and agreements contained herein shall be for the sole and exclusive benefit of the parties hereto and their successors and the holders of the Trust Certificates.

SECTION 10.02. No Recourse. No recourse under or upon any obligation, covenant or agreement of this Agreement, or for any claim based thereon or otherwise in respect thereof shall be had against any stockholder, officer or director, as such, past, present or future, of the Owner or against the Beneficiary, by the enforcement of any assessment or by any legal or equitable proceeding, by virtue of any statute or otherwise; it being expressly agreed and understood that this Agreement is solely a corporate obligation, and that no personal liability whatever shall attach to or be incurred by the stockholders, officers or directors, as such, of the Owner, under or by reason of any of the obligations covenants and agreements contained in this Agreement, or implied therefrom, and that any and all personal liability, either at common law or in equity, or by statute or constitution, of every such stockholder, officer or director is hereby expressly waived as a condition of and consideration for the execution of this Agreement.

It is expressly understood and agreed by and between the parties hereto, anything herein to the contrary notwithstanding, that each of and all the representations, covenants, undertakings and agreements herein made on the part of the Owner, are made and intended not as personal representations, covenants, undertakings and agreements by First Security Bank of Utah, National Association, or for the purpose or with the intention of binding such national association personally but are made and intended for the purpose of binding only the Trust Estate as such term is used in the Trust Agreement, and this Agreement is executed and delivered by such national association not in its own right but solely in the exercise of the powers expressly conferred on it as trustee under the Trust Agreement. The term Owner, as used herein, shall refer to any successor trustee appointed pursuant to the Trust Agreement.

SECTION 10.03. Binding Upon Assigns. Except as otherwise provided herein, the provisions of this Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and assigns.

SECTION 10.04. Notices. All demands, notices and communications hereunder shall be in writing and shall be deemed to have been duly given if personally delivered or mailed by registered mail (a) to the Owner at the address set forth for the Owner in the Lease or such other address as may hereafter be furnished to the Trustee in writing by the Owner and (b) to the Trustee at the Corporate Trust Office, or at such other address as may hereafter be furnished to the Owner in writing by the Trustee. An affidavit by any person representing or acting on behalf of the Owner or the Trustee, as the case may be, as to such mailing, having the registry receipt attached, shall be conclusive evidence of the giving of such demand, notice or communication.

SECTION 10.05. Amendment or Waiver. Any provision of this Agreement may be amended, by an instrument executed by the parties hereto, or waived, in either case with the written consent of the holders of not less than 66-2/3% of the aggregate unpaid principal amount of Trust Certificates then outstanding; provided, however, that no such amendment or waiver shall (a) reduce the amount of principal, change the amount or dates of payment of instalments of principal or reduce the rate or extend the time of payment of interest with respect to the Trust Certificates without the consent of the holder of each Trust Certificate so affected, (b) reduce

the amount of or extend the time of payment of any rentals payable under this Agreement or release or provide for the release of any of the Trust Equipment or any other property or cash held by the Trustee in trust, otherwise than as expressly permitted by the present terms of this Agreement, without the consent of the holders of 100% of the aggregate unpaid principal amount of Trust Certificates then outstanding, or (c) reduce the percentage of the aggregate unpaid principal amount of Trust Certificates then outstanding, the holders of which are required to approve any amendment or to effect any waiver.

The Trustee may consent to any amendment or waiver in respect of the Lease, without the approval of the holders of the Trust Certificates, if such amendment or waiver does not adversely affect the interests of the holders of the Trust Certificates. Any other amendment or waiver in respect of the Lease may be consented to by the Trustee with the written approval of the holders of not less than 66-2/3% of the aggregate principal amount of the Trust Certificates outstanding; provided, however, that, if such amendment or waiver would reduce the amount of or extend the time for payment of any rentals or other obligations under the Lease in a manner so as to affect the due and punctual payment of the principal of and interest on the Trust Certificates and the other obligations of the Owner hereunder, the Trustee shall not consent thereto without the prior written approval of the holders of 100% of the aggregate unpaid principal amount of Trust Certificates then outstanding. The holders shall receive 30 days' prior written notice of any amendment pursuant to this Section 10.05.

SECTION 10.06. Satisfaction of Obligations.

The obligations of the Owner under Sections 5.06, 5.07, 5.09, 6.06, 7.01 and 7.02 and the third paragraph of Section 9.05 hereof, but excluding any provisions requiring the execution of any instrument by the Owner, shall be deemed in all respects satisfied and be of no further force or effect in so far as they involve personal liability of the Owner, other than out of "income and proceeds from the Trust Equipment" (as defined in Section 5.04 hereof), upon the execution and delivery of the Lease; provided, however, that such covenants and obligations shall be deemed covenants of the Owner within the meaning of subparagraphs (a), (b) and (c) of the first paragraph of Section 6.01 hereof (it being the intention of the parties hereto that the Owner and any of its properties shall not be subject to any liability for

any breach or alleged breach by it of any such covenant or obligation except out of the "income and proceeds from the Trust Equipment", but that any such breach may be made the basis of an event of default under said Section 6.01). No waiver or amendment of the Lessee's undertakings under the Lease shall be effective unless joined in by the Trustee.

SECTION 10.07. Effect of Headings; Counterparts; Date Executed; Governing Law. (a) The Article and Section headings herein are for convenience only and shall not affect the construction hereof.

(b) This Agreement may be executed in several counterparts each of which shall be deemed to be an original, and all such counterparts shall together constitute but one and the same instrument.

(c) This Agreement shall be deemed to have been executed on the date of the acknowledgment thereof by the officer of the Trustee who signed it on behalf of the Trustee.

(d) The provisions of this Agreement, and all the rights and obligations of the parties hereunder, shall be governed by the laws of the State of New York.

(e) Any provision of this Agreement which is prohibited or unenforceable in any jurisdiction shall be, as to such jurisdiction, ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

IN WITNESS WHEREOF, the parties hereto, each pursuant to due corporate authority, have caused this instrument to be duly executed as of the date first above written.

MANUFACTURERS HANOVER TRUST COMPANY,
Trustee,

by

Vice President

[CORPORATE SEAL]

Attest:


Assistant Secretary

FIRST SECURITY BANK OF UTAH,
NATIONAL ASSOCIATION, not in
its individual capacity, but
solely as trustee under a Trust
Agreement dated as of January 1,
1975, with Steiner Sea, Air &
Rail Co.,

by Authorized Officer

[CORPORATE SEAL]

Attest:


Authorized Officer

STATE OF NEW YORK,)
) ss.:
COUNTY OF NEW YORK,)

On this day of , 1975, before me personally appeared , to me personally known, who, being by me duly sworn, says that he is a Vice President of MANUFACTURERS HANOVER TRUST COMPANY, that one of the seals affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

[NOTARIAL SEAL]

STATE OF UTAH,)
) ss.:
COUNTY OF SALT LAKE,)

On this 29th day of April, 1975, before me personally appeared Robert S. Clark, to me personally known, who, being by me duly sworn, says that he is an Authorized Officer of FIRST SECURITY BANK OF UTAH, NATIONAL ASSOCIATION, that one of the seals affixed to the foregoing instrument is the corporate seal of said association, that said instrument was signed and sealed on behalf of said association by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said association.

Dellie J. Pargenfeld
Notary Public

[NOTARIAL SEAL]

SCHEDULE A

<u>Type</u>	<u>AAR Mechanical Designation</u>	<u>Quantity</u>	<u>Lessee's Car Numbers (Inclusive)</u>
89'4" 70-ton capacity, hydraulic draft gear, low level flat car	FC	168	850322, 850323, 850325, 850326, 850328, 850329, 850334-850494, 850499

7813

RECORDATION NO. Filed & Recorded

MAY 01 1975 - 1 15 PM

INTERSTATE COMMERCE COMMISSION

EQUIPMENT TRUST AGREEMENT

Dated as of May 1, 1975

between

MANUFACTURERS HANOVER TRUST COMPANY,
Trustee,

and

FIRST SECURITY BANK OF UTAH, NATIONAL ASSOCIATION,
as Trustee for Steiner Sea, Air & Rail Co.

EQUIPMENT TRUST AGREEMENT dated as of May 1, 1975, between MANUFACTURERS HANOVER TRUST COMPANY, as Trustee hereunder (hereinafter called the Trustee), and FIRST SECURITY BANK OF UTAH, NATIONAL ASSOCIATION (hereinafter together with its successors called the Owner), acting not in its individual capacity but solely as Trustee under a Trust Agreement dated as of January 1, 1975 (hereinafter called the Trust Agreement), with Steiner Sea, Air & Rail Co. (hereinafter called the Beneficiary):

WHEREAS the Owner agrees to cause to be transferred to the Trustee the railroad equipment described in Schedule A hereto, subject to the provisions hereof; and

WHEREAS security title to such railroad equipment is to be vested in and is to be retained by the Trustee as security for the obligations of the Owner hereunder and of the Lessee under the Lease and Consent (the Lessee, the Lease and Consent being hereinafter defined), and such railroad equipment is to be leased to the Owner hereunder until full title is transferred to the Owner under the provisions hereof; and

WHEREAS Equipment Trust Certificates (hereinafter called Trust Certificates) are to be issued and sold hereunder in an aggregate principal amount not exceeding \$3,800,000 at any time outstanding, at a price not less than 100% of the principal amount thereof, and the proceeds of the issuance thereof are to be deposited with the Trustee to constitute a fund equal to the aggregate principal amount of Trust Certificates so issued and sold to be applied by the Trustee in part payment of the cost of the Trust Equipment (as hereinafter defined), the remainder of the cost thereof to be paid by the Owner as provided herein; and

WHEREAS the Owner has entered into a Lease of Equipment dated as of January 1, 1975, as amended by an Amendment Agreement dated as of the date hereof (such Lease, as so amended, being hereinafter called the Lease), with Trailer Train Company (hereinafter called the Lessee) pursuant to which the Owner has leased railroad equipment to the Lessee; and

WHEREAS the Lease is being assigned by the Owner to the Trustee as security for the obligations of the Owner hereunder and of the Lessee under the Lease and the Consent pursuant to an Assignment of Lease and Agreement dated as of the date hereof; and

WHEREAS the Lessee is entering into a Consent and Agreement (herein called a Consent) to the Assignment of Lease and Agreement, whereby the Lessee agrees to make all payments provided for in the Lease or sums equivalent thereto; and

WHEREAS the text of the Trust Certificates is to be substantially in the following form:

[FORM OF TRUST CERTIFICATE]

THE REGISTERED HOLDER HEREOF HAS REPRESENTED THAT IT HAS ACQUIRED THIS CERTIFICATE FOR INVESTMENT AND NOT WITH A VIEW TO, OR FOR SALE IN CONNECTION WITH, ANY DISTRIBUTION THEREOF. ACCORDINGLY, THIS CERTIFICATE HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AND MAY NOT BE SOLD, TRANSFERRED, PLEDGED OR HYPOTHECATED EXCEPT IN COMPLIANCE WITH SUCH ACT.

\$

No.

EQUIPMENT TRUST DUE MAY 1, 1990

EQUIPMENT TRUST CERTIFICATE

Total Authorized Issue

\$3,800,000

MANUFACTURERS HANOVER TRUST COMPANY, TRUSTEE
Interest at the Rate of 10-1/4% Per Annum Payable
May 1 and November 1

MANUFACTURERS HANOVER TRUST COMPANY (hereinafter called the Trustee), as trustee under an Equipment Trust Agreement dated as of May 1, 1975 (hereinafter called the Agreement), between the Trustee and FIRST SECURITY BANK OF UTAH, NATIONAL ASSOCIATION (hereinafter called the Owner), acting not in its individual capacity but solely as Trustee under a Trust Agreement dated as of January 1, 1975, with Steiner Sea, Air & Rail Co., hereby certifies that

or registered assigns, is entitled to an interest in the principal amount of \$ in the EQUIPMENT TRUST DUE MAY 1, 1990, payable in instalments as hereinafter provided, and to interest on the unpaid principal amount represented by this Certificate from the date hereof until the principal amount hereof is due and payable, at the rate of 10-1/4% per annum, payable semiannually on May 1 and November 1 in each year, commencing November 1, 1975, with interest at the rate of 11-1/4% per annum on any overdue principal and interest to the extent that it shall be legally enforceable. Payments of instalments of principal and interest shall be made by the Trustee to the registered holder hereof at the corporate trust office of the Trustee in the Borough of Manhattan, in The City of New York, in such coin or currency of the United States of America as at the time of payment shall be legal tender for the payment of public and private debts, but payable only out of rentals or other moneys received by the Trustee and applicable to such payment under the provisions of the Agreement. Interest due hereunder shall be calculated on the basis of a 360-day year of twelve 30-day months.

The principal amount of this Certificate is due and payable in semiannual instalments on May 1 and November 1 in each year, commencing November 1, 1975, and continuing to and including May 1, 1990, calculated so that the aggregate of the principal and interest payments payable on each such date shall be substantially equal and such instalments of principal shall completely amortize the principal amount of this Certificate, subject to proportionate reduction in the event of prepayment out of moneys deposited with the Trustee on account of Casualty

Occurrences (as defined in the Agreement). Any such prepayment of this Certificate shall be at 100% of the principal amount hereof to be prepaid, together with accrued interest to the date fixed for prepayment.

This Certificate is one of an authorized issue of Certificates in an aggregate principal amount outstanding not exceeding the Total Authorized Issue set forth above, issued or to be issued under and subject to the terms of the Agreement, under which certain railroad equipment leased to the Owner and in turn leased to Trailer Train Company and certain moneys are and are to be held by the Trustee in trust for the equal and ratable benefit of the holders of Certificates, to which Agreement (a copy of which is on file with the Trustee at its said office) reference is made for a full statement of the rights and obligations of the Owner, the duties and immunities of the Trustee and the rights of the holder hereof thereunder. The Owner has no personal liability to the holders of the Certificates and the obligations of the Owner under the Agreement are limited as provided therein.

The Certificates are issuable only as fully registered Certificates and are interchangeable without charge upon presentation thereof for that purpose at said office of the Trustee, but only in the manner and subject to the limitations provided in the Agreement.

Subject to the restrictions set forth above, the transfer of this Certificate in whole or in part may be registered on the books of the Trustee upon surrender to the Trustee, in person or by duly authorized attorney, at its said office of this Certificate accompanied by a written instrument of transfer, duly executed by the registered holder in person or by such attorney, in form satisfactory to the Trustee, and thereupon a new Certificate or Certificates for the then aggregate unpaid principal amount hereof will be issued to the transferee in exchange herefor and, if less than the then entire unpaid principal amount hereof is transferred, a balance piece therefor will be issued to the transferor. Prior to due presentment for registration of transfer, the Trustee may treat the person in whose name this Certificate is registered as the absolute owner hereof for the purpose of receiving payment of principal and interest and for all other purposes, and shall not be affected by any notice to the contrary.

In case of the occurrence of an Event of Default (as defined in the Agreement), the principal amount represented by this Certificate (and interest accrued thereon) may be declared due and payable, as provided in the Agreement.

As more fully set forth in Section 5.04 of the Agreement, the liability of the Owner under the Agreement shall not exceed an amount equal to the "income and proceeds from the Trust Equipment", as defined in the Agreement.

IN WITNESS WHEREOF, the Trustee has caused this Certificate to be signed, manually or by facsimile, by one of its Vice Presidents and its corporate seal or a facsimile thereof to be hereunto imprinted and to be attested by one of its Assistant Trust Officers by his manual signature.

Dated as of:

MANUFACTURERS HANOVER TRUST
COMPANY,

Trustee,

by

Vice President

ATTEST:

Assistant Trust Officer

WHEREAS it is desired to secure for the holders of the Trust Certificates the payment of the principal thereof with interest thereon, as hereinafter provided, and to evidence the rights of the holders of the Trust Certificates in substantially the form hereinbefore set forth;

NOW, THEREFORE, in consideration of the mutual covenants and promises herein contained, the parties hereto hereby agree as follows:

ARTICLE ONE

Definitions

SECTION 1.01. Definitions. The following terms (except as otherwise expressly provided or unless the context otherwise requires) for all purposes of this Agreement shall have the respective meanings hereafter specified:

Business Day shall mean any calendar day, excluding Saturday, Sunday and legal holidays or days on which banking institutions are authorized by law to be closed in New York, New York.

Casualty Occurrence shall mean any occurrence specified in Section 5.07 hereof to be a Casualty Occurrence.

Consent shall mean the Lessee's Consent and Agreement, dated as of the date hereof, in the form annexed to the Lease Assignment.

Corporate Trust Office shall mean the office of the Trustee in New York, New York, at which the corporate trust business of the Trustee shall, at the time in question, be principally administered, which office is, at the date of execution of this Agreement, located at 40 Wall Street, New York, New York 10015.

Cost, when used with respect to Equipment, shall mean the Purchase Price as defined in the Manufacturing Agreement covering such Equipment, as evidenced by a Manufacturer's invoice with respect to such Equipment.

Deposited Cash shall mean the proceeds from the sale of the Trust Certificates deposited with the Trustee pursuant to Section 2.01.

Equipment shall mean new standard gauge railroad equipment, first put into service no earlier than the date of delivery to and acceptance under the Lease, but, except as otherwise provided in the Lease, shall not include any special devices, racks or assemblies at any time attached or affixed to any such equipment, the cost or purchase price of which is not included in the Cost of such equipment and the title to which is in a person other than the Owner, the Lessee or the Trustee.

Event of Default shall mean any event specified in Section 6.01 hereof to be an Event of Default.

The Fair Value of any unit of Trust Equipment on any date shall be deemed to be an amount computed by multiplying the unpaid principal amount of the Trust Certificates outstanding on such date (after giving effect to any payment in respect thereof on such date pursuant to Section 5.04 hereof) by a fraction of which the numerator shall be the Cost of such unit and the denominator shall be the Cost of all units (including such unit) subject to the trust on such date.

The term holder, when used with respect to Trust Certificates, shall mean the registered owner of a Trust Certificate.

Lease shall mean the Lease of Equipment dated as of January 1, 1975, between the Owner and the Lessee, amended so as to be substantially in the form of Exhibit A hereto, as the same may be further supplemented or amended as contemplated hereby or thereby.

Lease Assignment shall mean the Assignment of Lease and Agreement dated as of the date hereof, between the Owner and the Trustee, substantially in the form of Exhibit B hereto.

Manufacturer shall mean Pullman Incorporated (Pullman-Standard division).

Manufacturing Agreement shall mean a Manufacturing Agreement dated as of January 1, 1975, between the Lessee and the Manufacturer, as the same may be supplemented or amended as contemplated hereby or thereby.

Officer's Certificate shall mean a certificate signed by the President, a Vice President, the Secretary, the Treasurer, an Assistant Treasurer or an Authorized

Officer of the Owner or the Lessee, as the case may be.

Opinion of Counsel shall mean an opinion of counsel (who may be counsel to the Owner or the Lessee) satisfactory to the Trustee.

Penalty Rate, in the case of any Trust Certificate, shall mean the interest rate specified therein plus 1% per annum.

The term person shall mean any individual, corporation, partnership, joint venture, association, joint-stock company, trust, unincorporated organization or government or any agency or political subdivision thereof.

Purchase Agreement shall mean the Purchase Agreement dated as of the date hereof among the Lessee, the Owner and the parties named in Annex I thereto.

Request shall mean a written request for the action therein specified signed on behalf of the Owner or the Lessee by the President, any Vice President, the Treasurer, an Assistant Treasurer or an Authorized Officer of the Owner or the Lessee, as the case may be, and delivered to the Trustee.

Trust Agreement shall mean the Trust Agreement dated as of January 1, 1975, between the Owner and the Beneficiary.

Trust Certificates shall mean the Equipment Trust Certificates issued hereunder.

Trust Equipment shall mean all Equipment at the time subject to the terms of this Agreement.

Trustee shall mean Manufacturers Hanover Trust Company, a corporation duly organized and existing under the laws of the State of New York, and any successor as trustee hereunder.

All references herein to Articles, Sections and other subdivisions refer to the corresponding Articles, Sections and other subdivisions of this Agreement; and the words herein, hereof, hereby, hereto, hereunder and words of similar import refer to this Agreement as a whole and not to any particular Article, Section or subdivision hereof.

ARTICLE TWO

Trust Certificates and Issuance Thereof

SECTION 2.01. Issuance of Trust Certificates. The proceeds of the sale of the Trust Certificates shall, forthwith upon the issuance thereof, be deposited with the Trustee as provided in the Purchase Agreement. Simultaneously, the Trustee shall issue and deliver, in accordance with the Purchase Agreement or in accordance with a Request of the Owner, Trust Certificates substantially in the form set forth herein in the aggregate principal amount so sold.

The aggregate principal amount of Trust Certificates which shall be executed and delivered by the Trustee hereunder and shall be outstanding at any time shall not exceed the Total Authorized Issue stated in the form of Trust Certificate.

SECTION 2.02. Interests Represented by Trust Certificates; Interest; Maturity. Each of the Trust Certificates shall represent an interest in the principal amount therein specified in the trust created hereunder. Each Trust Certificate shall bear interest on the unpaid principal amount thereof at the rate per annum set forth in the form of Trust Certificate contained herein payable semiannually on May 1 and November 1 in each year, commencing November 1, 1975, with interest payable on any overdue principal and interest at the Penalty Rate, to the extent that it shall be legally enforceable. Interest on the Trust Certificates shall be calculated on the basis of a 360-day year of twelve 30-day months.

Subject to the provisions of Article Three hereof respecting prepayment of Trust Certificates, the aggregate principal amount of the Trust Certificates shall be payable in semiannual instalments on each May 1 and November 1 commencing November 1, 1975, to and including May 1, 1990, calculated so that the aggregate of principal and interest payments payable on each such date shall be substantially equal and such instalments of principal shall completely amortize the principal amount of the Trust Certificates. The Trustee shall furnish each holder of Trust Certificates an amortization schedule setting forth the respective amounts of principal and interest payable on each such date.

The principal of and interest on the Trust Certificates shall be payable at the Corporate Trust Office in such

coin or currency of the United States of America as at the time of payment shall be legal tender for the payment of public and private debts, but only from and out of rentals or other moneys received by the Trustee and applicable to such payment under the provisions hereof. Notwithstanding the provisions of the preceding sentence of this paragraph, in the case of payments of principal and interest to be made on a Trust Certificate not then to be paid in full, upon request and deposit of an agreement (or, if approved by the Trustee, a copy of an agreement) of the holder of such Trust Certificate (the responsibility of such holder to be satisfactory to the Trustee) obligating such holder, prior to any transfer or other disposition thereof, to surrender the same to the Trustee for a new Trust Certificate for the unpaid principal amount represented thereby on the date of such surrender, the Trustee will, subject to timely receipt of the necessary funds, mail its check, or on ten days' prior request of the holder, wire by 11:00 a.m., New York time, funds immediately available to such holder on such date, to such holder at his address shown on the registry books maintained by the Trustee or at such other address as may be directed in writing by such holder without requiring the surrender of such Trust Certificate; provided, however, that the deposit of an agreement pursuant to this paragraph shall not be required of any original purchaser of Trust Certificates.

SECTION 2.03. Form, Execution and Characteristics of Trust Certificates.

(a) The Trust Certificates shall be in substantially the form hereinbefore set forth.

(b) The Trust Certificates shall be signed in the name and on behalf of the Trustee by the manual or facsimile signature of one of its Vice Presidents or one of its Assistant Vice Presidents and its corporate seal or a facsimile thereof shall be affixed or imprinted thereon and attested by the manual signature of its Secretary or one of its Assistant Secretaries or one of its Assistant Trust Officers. In case any officer of the Trustee whose signature, whether facsimile or not, shall appear on any Trust Certificate shall cease to be such officer of the Trustee before such Trust Certificate shall have been issued and delivered by the Trustee or shall not have been acting in such capacity on the date of such Trust Certificate, such Trust Certificate shall be adopted by the Trustee and be issued and delivered as though such person had at all times been such officer of the Trustee.

(c) The Trust Certificates (i) shall be registered, as to both principal and interest, in the names of the holders; (ii) shall be registrable as to transfer in whole or in part upon presentation and surrender thereof for registration of transfer at the Corporate Trust Office, accompanied by appropriate instruments of assignment and transfer, duly executed by the holder of the surrendered Trust Certificate or Certificates or by duly authorized attorney, in form satisfactory to the Trustee; (iii) shall be dated as of the date of issue, or if issued in exchange for or upon the transfer of another Trust Certificate or Certificates bearing unpaid interest from an earlier date, dated as of such earlier date; (iv) shall entitle the holders to interest from the date thereof; and (v) shall be exchangeable at the Corporate Trust Office for an equal aggregate principal amount of Trust Certificates of like tenor.

(d) Anything contained herein to the contrary notwithstanding, prior to due presentment for registration of transfer, the parties hereto may deem and treat the holder of any Trust Certificate as the absolute owner of such Trust Certificate for all purposes and shall not be affected by any notice to the contrary.

(e) The Trustee shall cause to be kept at the Corporate Trust Office books for the registration of the Trust Certificates and the registration of transfers of the Trust Certificates and upon presentation of any Trust Certificate for such purpose, the Trustee shall register any transfer as hereinabove provided, under such reasonable regulations as it may prescribe and subject to the provisions of subparagraph (h) of this Section 2.03.

(f) No service charge shall be made for any registration of transfer or exchange of Trust Certificates, but the Trustee shall require the payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with any such transfer or exchange.

(g) Each Trust Certificate delivered pursuant to any provision of this Agreement in exchange or substitution for, or upon the registration of transfer of the whole or any part, as the case may be, of one or more other Trust Certificates, shall be issued in principal amount equal to the unpaid principal amount or amounts of such one or more other Trust Certificates, shall carry all the rights to interest accrued and unpaid and to accrue, which were

carried by the whole or such part, as the case may be, of such one or more other Trust Certificates, and, notwithstanding anything contained in this Agreement, such Trust Certificate shall be so dated that neither gain nor loss in interest shall result from such exchange, substitution or transfer.

(h) The Trustee shall not be required (i) to register the transfer of or exchange any Trust Certificate for a period of ten Business Days next preceding any interest payment date, (ii) to issue, register the transfer of or exchange any Trust Certificate during a period beginning at the opening of business 15 days before any selection of Trust Certificates to be prepaid and ending at the close of business on the day of the mailing of the relevant notice of prepayment, (iii) to register the transfer of or exchange any Trust Certificate so selected for prepayment in whole or in part until after the date fixed for prepayment or (iv) to register any transfer of Trust Certificates unless the Trustee has received approval of the Lessee or the Trustee is satisfied that such transfer is exempt from the registration requirements of the Securities Act of 1933, as amended.

SECTION 2.04. Replacement of Mutilated, Defaced, Lost, Stolen or Destroyed Trust Certificates. In case any Trust Certificate shall become mutilated or defaced or be lost, stolen or destroyed, then on the terms herein set forth, and not otherwise, the Trustee shall execute and deliver a new Trust Certificate of like tenor and date as the mutilated, defaced, lost, stolen or destroyed Trust Certificate, in exchange and substitution for, and upon cancelation of, the mutilated or defaced Trust Certificate, or in lieu of and in substitution for the same if lost, stolen or destroyed. The applicant for a new Trust Certificate shall furnish to the Trustee evidence to its satisfaction of the loss, theft or destruction of such Trust Certificate alleged to have been lost, stolen or destroyed, and of the ownership and authenticity of such mutilated, defaced, lost, stolen or destroyed Trust Certificate, and shall furnish such security or indemnity as may be required by the Trustee (except in the case of original holders of Trust Certificates), and shall pay all expenses and charges of such exchange or substitution. All Trust Certificates shall be issued, held and owned upon the express condition that the foregoing provisions are exclusive in respect of the replacement of mutilated, defaced, lost, stolen or destroyed Trust Certificates and shall preclude any and all other rights

and remedies, any law or statute now existing or hereafter enacted to the contrary notwithstanding.

SECTION 2.05. Legal Holidays. If the date fixed for payment of principal of or interest on any Trust Certificate is not a Business Day, then (notwithstanding any other provision of this Agreement or the Trust Certificates) such payment need not be made on such date but may be made on the next succeeding Business Day with the same force and effect as if made on the nominal payment date and no interest shall be paid on such next succeeding Business Day for the period from and after such nominal payment date.

ARTICLE THREE

Prepayment of Trust Certificates

SECTION 3.01. Right of Prepayment. The Trust Certificates are required to be prepaid pursuant to Section 5.07 hereof in part on any May 1 or November 1 through the application of moneys paid to the Trustee at 100% of the principal amount thereof to be prepaid, together with accrued interest to the date fixed for prepayment. Except as provided in this Article Three and Article Six hereof, Trust Certificates may not be prepaid prior to the maturity thereof.

SECTION 3.02. Selection of Trust Certificates for Prepayment; Notice of Prepayment.

(a) On or before the tenth day next preceding a date on which Trust Certificates are to be prepaid pursuant to Section 3.01 hereof, the Trustee shall select for prepayment, subject to the provisions of the next succeeding sentence, a principal amount of Trust Certificates so as to exhaust any amount in cash to be paid to it pursuant to Section 5.07 hereof. The Trustee shall select for prepayment on each prepayment date a principal amount of Trust Certificates registered in the name of each holder which bears the same ratio to the aggregate principal amount of Trust Certificates to be prepaid on such prepayment date as (y) the aggregate principal amount of Trust Certificates registered in the name of such holder on a date selected by the Trustee not more than 15 days prior to the selection by the Trustee of Trust Certificates for prepayment on such prepayment date bears to (z) the aggregate principal amount of Trust Certificates outstanding on such date.

(b) The Trustee shall send a notice of prepayment by first class mail, postage prepaid, at least ten days prior to each prepayment date to the holders of Trust Certificates to be prepaid in whole or in part, at their last addresses as they shall appear upon the registry books. Failure to give such notice, or any defect therein, as to any Trust Certificate shall not affect the validity of the proceedings for the prepayment of any other Trust Certificate. Any notice which is mailed in the manner herein provided shall be conclusively presumed to have been duly given, whether or not the holder receives the notice.

(c) The notice of prepayment to each holder shall (i) specify the date for prepayment, (ii) state that prepayment of the principal amount of the Trust Certificates or portions thereof to be prepaid will be made by the Trustee only from and out of moneys paid to the Trustee by the Owner or the Lessee and applicable thereto and, unless such prepayment is to be made pursuant to the second sentence of the third paragraph of Section 2.02 hereof, that such prepayment will be made at the Corporate Trust Office, upon presentation and surrender of Trust Certificates so to be prepaid, (iii) state the aggregate principal amount of Trust Certificates to be prepaid in whole or in part and the distinctive numbers of the Trust Certificates of such holder to be prepaid and, in the case of any such Trust Certificates to be prepaid in part, the principal amount thereof to be so prepaid, and (iv) state that from and after such prepayment date interest on such Trust Certificates or on the portions thereof to be prepaid will cease to accrue. The holders of Trust Certificates prepaid in part may, at their option and upon surrender thereof, receive new Trust Certificates for the principal amounts remaining unpaid without charge to such holders.

SECTION 3.03. Payment of Trust Certificates Selected for Prepayment. Notice of prepayment having been given as above provided, the Trust Certificates or portions thereof to be prepaid shall become due and payable on such prepayment date and from and after such prepayment date interest on such Trust Certificates or portions thereof shall cease to accrue, and there having been deposited with the Trustee on or before the prepayment date specified in the notice of prepayment, an amount in cash equal to the aggregate principal amount of all the Trust Certificates or portions thereof then to be prepaid and accrued interest, such Trust Certificates or portions thereof shall no longer be deemed to be outstanding hereunder and shall cease to be entitled

to the benefits of this Agreement except to receive payment from the moneys reserved therefor in the hands of the Trustee. The Trustee shall hold the prepayment moneys in trust for the holders of the Trust Certificates or portions thereof to be prepaid and (subject to the provisions of the second sentence of the third paragraph of Section 2.02 hereof) shall pay the same to such holders respectively upon presentation and surrender of such Trust Certificates.

Except as provided in Sections 2.02 and 3.02 hereof, all Trust Certificates prepaid under this Article Three shall be canceled by the Trustee and no Trust Certificates shall be issued hereunder in place thereof.

ARTICLE FOUR

Acquisition of Trust Equipment by Trustee; Deposited Cash

SECTION 4.01. Acquisition of Equipment by Trustee. The Owner shall cause to be sold, assigned and transferred to the Trustee, as trustee for the holders of the Trust Certificates, and as security for the payment thereof, the Equipment described and set forth in Schedule A hereto. Such Equipment has been or will be delivered to the Lessee, which is hereby designated by the Trustee as its agent to receive such delivery, and an Officer's Certificate as to such delivery shall be conclusive evidence of such delivery.

In the event that it may be deemed necessary or desirable to include in the trust created hereby other Equipment in lieu of any of the Equipment specifically described in Schedule A hereto prior to the delivery of such Equipment described in Schedule A to the Lessee, the Owner may, in its discretion, cause such other Equipment to be sold, assigned and transferred to the Trustee, to be substituted under such trust. In the event of any such substitution, the Owner and the Trustee shall execute an agreement supplemental hereto providing for the inclusion of such Equipment in this Agreement.

Any units of Equipment not settled for pursuant to this Article Four on or before May 1, 1975 (herein called the Cut-Off Date), shall be excluded from this Agreement and not included in the term Trust Equipment.

In the event of any such exclusion or substitution, the Owner and the Trustee shall execute an agreement supplemental hereto limiting this Agreement to the Trust Equipment theretofore accepted and settled for hereunder and, in the case of units of Equipment delivered but not so settled for, the Trustee shall execute a bill or bills of sale (without warranties) for such units to the original owner or owners thereof (or to such party as such owner or owners may designate) and the Trustee shall execute for record in public offices, at the expense of the Owner, such instrument or instruments in writing as reasonably shall be requested by such party in order to make clear upon public records such party's full title to such Trust Equipment under the laws of any jurisdiction.

SECTION 4.02. Payment of Deposited Cash. On any Closing Date (as defined in the Manufacturing Agreement), the Trustee shall, subject to the provisions of Sections 4.03 and 4.04 hereof, pay upon Request of the Owner to the Manufacturer of the Equipment transferred to the Trustee by the Owner out of Deposited Cash an amount specified in such Request not exceeding 75.99% of the aggregate Cost of such Equipment; provided, however, that no Event of Default, or any event which, with notice and/or lapse of time, could result in an Event of Default, has occurred hereunder or under the Lease.

SECTION 4.03. Payment of Deficiency. The Owner covenants that, contemporaneously with any payment by the Trustee pursuant to Section 4.02 hereof with respect to any Equipment transferred to the Trustee by the Owner, but subject to the provisions of Section 4.04 hereof, it will pay to the Manufacturer of such Equipment that portion of the Cost of such Equipment not paid out of Deposited Cash as provided for in Section 4.02 hereof. Unless the Owner shall otherwise agree, the total Cost of such equipment shall not exceed \$5,000,000 and the portion of such Cost paid by the Owner shall not exceed 24.01% thereof.

SECTION 4.04. Supporting Papers. The Trustee shall not pay out any Deposited Cash pursuant to Section 4.02 hereof with respect to any Equipment unless and until it shall have received, in respect of such Equipment:

- (a) an Officer's Certificate of the Lessee stating that (i) the Equipment described and specified therein by number or numbers has been delivered on the date

or dates set forth therein and has been marked in accordance with the provisions of Section 5.06 hereof, (ii) such Equipment is Equipment as herein defined, (iii) such Equipment was first put into service no earlier than the date of delivery to and acceptance by the Lessee, as agent for the Owner, (iv) the Cost of such Equipment is an amount therein specified as evidenced by an invoice or invoices of the Manufacturer thereof, which invoices shall specify all special devices, racks or assemblies the cost of which is included in the Cost, and (v) no Event of Default or any event which, with notice and/or lapse of time, could result in an Event of Default, has occurred hereunder or under the Lease;

(b) evidence of payment of the amount to be paid to the Manufacturer pursuant to Section 4.03 hereof unless such payment is made by the Trustee with funds furnished to it for that purpose by the Owner;

(c) a bill or bills of sale from the Manufacturer transferring and assigning security title to the Equipment to the Trustee, warranting to the Trustee, the Owner and the Lessee that at the time of delivery of such Equipment to the Lessee as agent for the Owner, the Manufacturer had legal title to the Equipment described therein and good and lawful right to sell such Equipment and that title to such Equipment was, at the time of such delivery, free from all claims, liens, security interests and other encumbrances of any nature except as created by a Manufacturing Agreement and this Agreement and except for the rights of the Lessee under the Lease;

(d) an opinion of counsel for the Manufacturer of such Equipment addressed to the Trustee and the Owner to the effect that (i) such Manufacturer is a duly organized and existing corporation in good standing under the laws of the state of its incorporation, (ii) the Manufacturing Agreement has been duly authorized, executed and delivered by such Manufacturer and, assuming the due authorization, execution and delivery by the Lessee, is a legal and valid instrument binding upon and enforceable against such Manufacturer in accordance with its terms, (iii) the units of such Equipment, at the time of delivery thereof, were free of all claims, liens, security interests and other encumbrances of

any nature except as created by such Manufacturing Agreement or the Lease and (iv) such bill or bills of sale have been duly authorized, executed and delivered by such Manufacturer and are valid and effective to transfer security title, free of all claims, liens, security interests or other encumbrances of any nature of or arising from, through or under such Manufacturer, to such Equipment to the Trustee;

(e) a bill or bills of sale from the Owner consenting to such bill or bills of sale from the Manufacturer and confirming to the Trustee that security title to such equipment is vested in the Trustee and warranting to the Trustee that such security title is free from all claims, liens, security interests and other encumbrances of any nature except as created by this Agreement and except for the rights of the Lessee under the Lease;

(f) an Opinion of Counsel for the Owner addressed to the Trustee and the Owner to the effect that (i) the bill or bills of sale from the Owner are valid and effective, either alone or in connection with any other instrument referred to in and accompanying such opinion, to vest in the Trustee security title to such Equipment free from all claims, liens, security interests and other encumbrances, resulting from any action by the Owner, other than as provided in subparagraph (e) above and (ii) the Lease, Lease Assignment and any supplements thereto have been duly authorized, executed and delivered by the Owner and, assuming due authorization, execution and delivery thereof by the other parties thereto, constitute legal, valid and binding agreements, enforceable against the Owner in accordance with their terms;

(g) an Opinion of Counsel for the Lessee addressed to the Trustee and the Owner to the effect that (i) the Lease, Participation Agreement, Manufacturing Agreement, any supplements thereto and assignments thereof, and Consent have been duly authorized, executed and delivered by the Lessee and, assuming the due authorization, execution and delivery thereof by the other parties thereto, constitute valid, legal and binding agreements, enforceable in accordance with their terms and (ii) the Lease, the Lease Assignment, this Agreement and any supplements hereto and thereto have been duly filed and recorded with the Interstate Commerce Commission

pursuant to Section 20c of the Interstate Commerce Act, and such filing and recordation will protect the Trustee's title and interest in and to such Equipment and such Lease and no other filing, recording or deposit (or giving of notice) with any Federal, state or local government or agency or instrumentality thereof is necessary to protect the title and interests of the Trustee in and to such Equipment and the Lease in the United States of America;

(h) in the case of any Trust Equipment not specifically described in Annex A hereto, an Opinion of Counsel addressed to the Trustee that a proper supplement hereto in respect of such Trust Equipment has been duly executed by the Trustee and the Owner, that a proper supplement to the Lease in respect of such Trust Equipment has been duly executed by the Owner and the Lessee and that each of such supplements has been duly filed and recorded in accordance with Section 7.03 hereof; and

(i) such other documents as the Trustee may reasonably request.

Counsel may qualify any opinion specified above to the effect that any agreement is enforceable against the parties thereto in accordance with its terms by a general reference to limitations as to enforceability imposed by bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting the enforcement of creditors' rights generally.

ARTICLE FIVE

Lease of Trust Equipment to the Owner

SECTION 5.01. Lease of Trust Equipment. The Trustee does hereby let and lease, as herein provided, all the units of Trust Equipment transferred to the Trustee by the Owner to the Owner, for a term ending on May 1, 1990.

SECTION 5.02. Substituted Equipment Subject Hereto. In the event that the Owner shall, as provided in Section 4.01 hereof, cause to be transferred to the Trustee other Equipment in substitution for any of the Equipment herein specifically described, such other Equipment shall be included as part of the Trust Equipment by supplement hereto to be

executed by the Trustee and the Owner and shall be subject to all the terms and conditions hereof in all respects as though it had been part of the Trust Equipment herein specifically described.

SECTION 5.03. Equipment Automatically Subjected.

As and when any Equipment shall from time to time be accepted under a Manufacturing Agreement, the same shall be deemed accepted hereunder immediately upon execution and delivery hereof and shall at that time, ipso facto and without further instrument or lease, transfer or acceptance except as expressly provided herein, pass under and become subject to all the terms and provisions hereof.

SECTION 5.04. Rental Payments. The Owner hereby accepts the lease of the units of Trust Equipment transferred by the Owner to the Trustee hereunder and covenants and agrees to accept delivery and possession hereunder of such Trust Equipment as hereinbefore provided; and the Owner covenants and agrees to pay to the Trustee (or, in the case of taxes, to the proper taxing authority), in such coin or currency of the United States of America as at the time of payment shall be legal tender for the payment of public and private debts, amounts (herein called "rent" or "rentals") which shall be sufficient to pay and discharge the following items, when and as the same shall become due and payable:

(a) from time to time upon demand of the Trustee
(i) the necessary and reasonable expenses of the trust hereby created, including compensation and expenses provided for herein;

(b) from time to time upon demand of the Trustee any and all taxes, assessments and governmental charges upon or on account of the income or property of the trust, or upon or on account of this Agreement, which the Trustee as such may be required to pay;

(c)(i) the amount of the interest payable on the Trust Certificates, when and as the same shall become payable, and (ii) interest at the Penalty Rate from the due date, upon the amount of any instalments of rental payable under this subparagraph (c) and the following subparagraph (d) which shall not be paid when due, to the extent legally enforceable; and

(d) the instalments of principal of the Trust Certificates, when and as the same shall become payable, whether upon the stated date of maturity thereof or otherwise under the provisions thereof or of this Agreement.

Nothing contained herein or in the Trust Certificates shall be deemed to impose on the Trustee or on the Owner (except as provided in paragraph (b) above) any obligation to pay to the holder of any Trust Certificate any tax, assessment or governmental charge required by any present or future law of the United States of America or of any State, county, municipality or other taxing authority thereof to be paid by or in behalf of, or withheld from the amount payable to, the holder of any Trust Certificate. The Owner shall not be required to pay any tax, assessment or governmental charge pursuant to paragraph (b) above so long as it or the Lessee shall in good faith and by appropriate legal proceedings contest the validity thereof; provided, however, that in the judgment of the Trustee, and as set forth in an Opinion of Counsel which shall have been furnished to the Trustee by the Owner or the Lessee, the rights or interests of the Trustee and of the holders of the Trust Certificates will not be materially endangered thereby.

Notwithstanding any other provisions of this Agreement, including, without limitation, Articles Six and Seven hereof, it is understood and agreed by the Trustee on behalf of itself and the holders of the Trust Certificates that liability of the Owner for all payments to be made by it under and pursuant to this Agreement (other than the payments called for by Section 4.03 hereof) and for all performance obligations, shall not exceed an amount equal to the income and proceeds from the Trust Equipment. As used herein the term "income and proceeds from the Trust Equipment" shall mean (i) if an Event of Default shall have occurred and while it shall be continuing so much of the following amounts as are indefeasibly received by the Owner (or any assignee of the Owner) at any time after any Event of Default and during the continuance thereof: (a) all amounts of rental and amounts in respect of Casualty Occurrences paid for or with respect to such Trust Equipment pursuant to the Lease and (b) any and all other payments or proceeds received pursuant to the Lease or for or with respect to such Trust Equipment as the result of the sale, lease or other disposition thereof, after deducting all costs and expenses of such sale, lease

or other disposition and (ii) at any other time only that portion of the amounts referred to in the foregoing clauses (a) and (b) or otherwise payable to the Owner pursuant to such Lease as are indefeasibly received by the Owner or any assignee of the Owner and as shall equal the rental payments specified in the first paragraph of this Section 5.04 due and payable by the Owner on the date such amounts so received were required to be paid pursuant to the Lease or as shall equal any other payments (including payments in respect of Casualty Occurrences) then due and payable under this Agreement; it being understood that "income and proceeds from the Trust Equipment" shall in no event include amounts referred to in the foregoing clauses (a) and (b) which were received by the Owner or any assignee of the Owner prior to the existence of such an Event of Default which exceeded the amounts required to make the rental payments specified in the first paragraph of this Section 5.04 due and payable by the Owner on the date on which amounts with respect thereto received by the Owner or any assignee of the Owner were required to be paid pursuant to the Lease or which exceeded any other payments due and payable under this Agreement at the time such amounts were payable under the Lease. The Trustee agrees that if it obtains a judgment against the Owner for an amount in excess of the amounts payable by the Owner pursuant to the limitations set forth in this paragraph, it will, accordingly, limit its execution of such judgment to such amount and it will not bring suit against the Owner for any sums in addition to the amounts payable by the Owner pursuant to said limitations (or obtain a judgment, order or decree against the Owner for any relief other than the payment of money) except as may be required by applicable rules of procedure to enforce, by appropriate proceedings against the Owner at law or in equity or otherwise, the obligation to make the payments to be made pursuant to this Section 5.04 or any other payments or performance obligations due to the Trustee under this Agreement against the Trust Equipment, the Lessee and the Lease (rather than against the Owner personally). Nothing contained herein limiting the liability of the Owner shall derogate from the right of the Trustee to proceed against the Trust Equipment or the Lessee as provided for herein or in the Lease or the Consent for the full unpaid principal amount of the Trust Certificates and interest thereon.

SECTION 5.05. Termination. The conveyance to the Trustee of security title to units of Trust Equipment by the Owner pursuant to this Agreement is solely to secure the performance by the Owner of its obligations under this

Agreement and the payment of all sums payable pursuant to this Agreement (without regard to the provisions of the last paragraph of Section 5.04 hereof) and beneficial ownership in and to such units of Trust Equipment shall be and remain in the Owner subject to the performance of all such obligations under this Agreement and the payment of all such sums. Accordingly, after all payments due or to become due hereunder shall have been completed and fully made to or for the account of the Trustee and the Owner shall have performed all its other obligations hereunder (without regard to the provisions of the last paragraph of Section 5.04 hereof), (a) such payments shall be deemed to represent the discharge in full of the Trustee's security interest in the Trust Equipment at such time, (b) any moneys remaining in the hands of the Trustee after providing for all outstanding Trust Certificates and after paying the expenses of the Trustee, including its reasonable compensation, shall be paid to the Owner, (c) full title to the Trust Equipment shall vest in the Owner and (d) the Trustee shall execute for record in public offices such instrument or instruments in writing as reasonably shall be requested by the Owner in order to make clear upon public records the Owner's full title to such units of the Trust Equipment under the laws of any jurisdiction; provided, however, that until that time security title to the Trust Equipment shall be and remain in the Trustee, notwithstanding the possession and use thereof by the Owner pursuant to the terms of this Agreement.

SECTION 5.06. Marking of Trust Equipment. The Owner agrees that it will cause each unit of the Trust Equipment to be kept plainly, distinctly, permanently and conspicuously marked on each side of such unit, in letters not less than one inch in height, the following words:

"OWNED BY A BANK OR TRUST COMPANY UNDER A SECURITY AGREEMENT FILED UNDER THE INTERSTATE COMMERCE ACT, SECTION 20c"

or other appropriate words designated by the Trustee, with appropriate changes thereof and additions thereto as from time to time may be required by law or reasonably requested in order to protect the security title of the Trustee to such unit and the rights of the Trustee under this Agreement.

The Owner will not place or permit any unit of the Trust Equipment to be placed in operation or exercise

any control or dominion over the same until such words have been so marked on both sides thereof and will replace or cause to be replaced promptly any such words which may be removed, defaced or destroyed. The Owner shall not change, or permit to be changed, the identifying number of any unit of the Trust Equipment except in accordance with a statement of new identifying numbers to be substituted therefor, which statement previously shall have been filed with the Trustee and filed, recorded or deposited in all public offices where this Agreement shall have been filed, recorded or deposited.

Except as above provided, the Owner will not allow the name of any person to be placed on the units of the Trust Equipment as a designation that might be interpreted as a claim of full legal ownership; provided, however, that the Owner may permit the Trust Equipment to be lettered with the names, initials or other insignia customarily used by the Lessee on railroad equipment used by it of the same or a similar type for convenience of identification of its right to use the Trust Equipment under the Lease, and the Trust Equipment may be lettered in an appropriate manner for convenience of identification of the interest of the Lessee therein.

SECTION 5.07. Maintenance of Trust Equipment; Casualty Occurrences. The Owner agrees that it will maintain or cause to be maintained and keep or cause to be kept the Trust Equipment in good order and proper repair at its own cost and expense, unless and until worn out beyond repair, lost, stolen, destroyed, or irreparably damaged, from any cause whatsoever, or taken or requisitioned by condemnation or otherwise (any of such occurrences being hereinafter called a Casualty Occurrence).

Whenever any unit of the Trust Equipment shall suffer a Casualty Occurrence, the Owner shall, promptly after it is informed of such Casualty Occurrence under the Lease, cause the Lessee to deliver to the Trustee an Officer's Certificate describing such Trust Equipment and stating the amount to be deposited with the Trustee as hereinafter in this Section 5.07 provided and (except as provided in the fourth paragraph of this Section 5.07) the method of determination of the Fair Value of such unit. On the rental payment date next succeeding the delivery of such Officer's Certificate (or, in the event such rental payment date will occur within 60 days after such delivery, on the following rental payment date), the Owner shall deposit with the Trustee (subject to the provisions of the last paragraph of Section

5.04 hereof) an amount in cash equal to the Fair Value of such unit as of such date and, upon such payment, the security title of the Trustee to such unit shall terminate and full title to such unit shall vest in the Owner and, upon Request, the Trustee shall execute for recording in public offices, at the expense of the Owner, such instrument or instruments in writing as reasonably shall be specified by the Owner and accompanying such Request in order to make clear upon public records the Owner's full title to such unit under the laws of any jurisdiction. The rights and remedies of the Trustee to enforce or to recover any of the rental payments shall not be affected by reason of any Casualty Occurrence.

Any moneys deposited with the Trustee pursuant to the next preceding paragraph shall be applied by the Trustee, on the rental payment date in respect of which such moneys are required to be deposited, to the prepayment of Trust Certificates on said date as provided in Article Three hereof.

Anything contained herein to the contrary notwithstanding, in the event that any unit of the Trust Equipment shall suffer a Casualty Occurrence, and the Owner shall have been informed thereof under the Lease, prior to the settlement for such unit pursuant to Article Four hereof, the Officer's Certificate describing such unit shall state the Cost of such unit (rather than the determination of the Fair Value thereof) as shown on the invoice therefor delivered or to be delivered to the Trustee pursuant to Section 4.04(a) hereof, and the Owner will, in lieu of making the payments otherwise required pursuant to the second paragraph of this Section 5.07 and Section 4.03 hereof, pay or cause the Lessee to pay directly to the Manufacturer, on the Closing Date, an amount in cash equal to such Cost, and accrued rental under the Lease thereon, which payment shall, without further action by the Owner, have the same effect and entitle the Owner to the same rights and privileges hereunder as if the Owner had directed the Trustee to exclude such unit from the trust created hereby pursuant to the second paragraph of Section 4.01 hereof.

The Owner covenants and agrees to furnish to the Trustee, on or before April 1 in each year, commencing with the year 1976, an Officer's Certificate, as of the preceding December 31, (i) showing the amount, description and numbers of all of its respective units of Trust Equipment then subject hereto and the amount, description and numbers

of all such units of Trust Equipment that may have suffered a Casualty Occurrence during the preceding 12 months (or since the date of this Agreement in the case of the first such Officer's Certificate) or have been withdrawn from use pending repair (other than normal running repairs), and such other information regarding the condition and state of repair of such units of Trust Equipment as the Trustee may reasonably request and (ii) stating that in the case of all such units of Trust Equipment repainted or repaired during the period covered thereby the marks required by Section 5.06 hereof have been preserved or replaced. The Trustee, by its agents, shall have the right once in each calendar year, but shall be under no duty, to inspect the records of the Owner with respect to the Trust Equipment, and the Owner covenants in that event to furnish to the Trustee all reasonable facilities for the making of such inspection.

SECTION 5.08. Possession of Trust Equipment.

So long as no Event of Default has occurred and is continuing hereunder, the Owner shall be entitled to the possession and use of the Trust Equipment and also to enter into the Lease, and to permit the use of the Trust Equipment as provided in the Lease. The Owner hereby agrees that the Lease and the rights of the Owner to receive rentals and other payments due and to become due thereunder, shall be subject and subordinate to this Agreement and to the rights of the Trustee and the holders of Trust Certificates under the Consent.

Except as permitted by the Trust Agreement, the Owner will not sell, assign or transfer its rights under this Agreement or, except as provided in this Section 5.08, transfer the right to possession of any unit of the Trust Equipment. The Owner will not amend or consent to any change in the Trust Agreement without the prior written consent of the Trustee.

SECTION 5.09. Indemnity; Compliance with Laws and Rules. The Owner covenants and agrees to indemnify and save harmless the Trustee against any charge or claim made against the Trustee and against any expense, loss or liability (including but not limited to counsel fees and expenses, patent liabilities, penalties and interest) which the Trustee may incur in any manner by reason of the issuance of the Trust Certificates or by reason of entering into or performing this Agreement, any of the instruments or agreements referred

to herein or contemplated hereby or the ownership of, or which may arise in any manner out of or as the result of the ordering, acquisition, purchase, use, operation, condition, delivery, rejection, storage or return of, any unit of the Trust Equipment while subject to this Agreement or until no longer in the possession of or stored by the Owner or the Lessee, whichever is later, and to indemnify and save harmless the Trustee against any charge, claim, expense, loss or liability on account of any accident in connection with the operation, use, condition, possession or storage of any unit of the Trust Equipment resulting in damage to property, or injury to or death of any person. The indemnities contained in this paragraph shall survive payment of all other obligations under this Agreement and the Trust Certificates and the termination of this Agreement. The Owner agrees to comply in all respects with all laws of the jurisdictions in which operations involving any unit subject to this Agreement may extend, with the Interchange Rules of the Association of American Railroads, if applicable, and with all lawful rules of the Interstate Commerce Commission, if applicable, the Federal Railroad Administrator and any other legislative, executive, administrative or judicial body or officer exercising any power or jurisdiction over any such unit, to the extent such laws and rules affect the operations or use of such unit; and the Owner shall and does hereby indemnify the Trustee and agrees to hold the Trustee harmless from and against any and all liability that may arise from any infringement or violation of any such laws or rules by the Owner or any other person. In the event that such laws or rules require the alteration of any such unit or in case any equipment or appliance on any such unit shall be required to be changed or replaced, or in case any additional or other equipment or appliance is required to be installed on such unit in order to comply with such laws and rules, the Owner agrees to make such alterations, changes, additions and replacements at its own expense and to use, maintain and operate such unit in full compliance with such laws and rules so long as such unit is subject to this Agreement; provided, however, that the Owner or the Lessee may, in good faith, contest the validity or application of any such law or rule in any reasonable manner which does not, in the opinion of the Trustee, adversely affect the property or rights of the Trustee or the holders of the Trust Certificates.

ARTICLE SIX

Events of Default and Remedies

SECTION 6.01. Events of Default. The Owner covenants and agrees that, without regard to any limitation of liability contained in Sections 5.04 and 10.06 hereof, in case:

(a) the Owner shall default in the payment of any part of the rental payable under Sections 5.04(c) and (d) hereof for more than ten days after the same shall have become due and payable, or

(b) the Owner shall, for more than 30 days after the Trustee shall have demanded in writing performance thereof, fail or refuse to comply with any other of the terms and covenants hereof on its part to be kept and performed, or to make provision satisfactory to the Trustee for such compliance, or

(c) the Owner, except as herein authorized or contemplated, shall make or suffer any unauthorized transfer or sublease (including, for the purpose of this clause, contracts for the use thereof) of any unit of the Trust Equipment, or shall part with the possession of any of the Trust Equipment, and shall fail or refuse either to cause such transfer or sublease to be canceled by agreement of all parties having any interest therein or recover possession of such Trust Equipment, as the case may be, within 30 days after the Trustee shall have demanded in writing such cancelation or recovery of possession, or within said 30 days to deposit with the Trustee a sum in cash equal to the Fair Value of such unit of Trust Equipment (any sum so deposited to be returned to the Owner upon the cancelation of such transfer or sublease or the recovery of possession by the Owner of such Trust Equipment), or

(d) any proceeding shall be commenced by or against the Owner for any relief under any bankruptcy or insolvency laws, or laws relating to the relief of debtors, readjustments of indebtedness, reorganizations, arrangements, compositions or extensions (other than a law which does not permit any readjustment of the obligations hereunder of the Owner) and, unless such proceedings shall have been dismissed, nullified, stayed or

otherwise rendered ineffective (but then only so long as such stay shall continue in force or such ineffectiveness shall continue), all the obligations of the Owner shall not have been duly assumed in writing, pursuant to a court order or decree, by a trustee or trustees or receiver or receivers appointed (whether or not subject to ratification) for the Owner or for the property of the Owner in connection with any such proceedings in such manner that such obligations have the same status as expenses of administration and obligations incurred by such a trustee or trustees or receiver or receivers, within 30 days after such appointment, if any, or 60 days after such proceedings shall have been commenced, whichever shall be earlier, or

(e) an Event of Default under and as defined in the Lease shall have occurred and be continuing, or

(f) any representation of the Lessee made in the Purchase Agreement or pursuant thereto shall prove to have been false in any material respect on the date as of which made,

then, in any such case (herein sometimes called an Event of Default), and so long as such Event of Default shall be continuing, the Trustee in its discretion may, and upon the written request of the holders of not less than 25% in principal amount of the then outstanding Trust Certificates shall, by notice in writing delivered to the Owner declare to be due and payable forthwith the entire amount of the rentals (including any unpaid rental then due, but not including rentals required for the payment of interest accruing after the date of such declaration) payable by the Owner as set forth in Section 5.04 hereof for the entire remaining term of the lease evidenced hereby and not heretofore paid. Thereupon the entire amount of such rentals shall forthwith become and shall be due and payable immediately without further demand, together with interest at the Penalty Rate, to the extent legally enforceable, on any portion thereof overdue.

In addition, in case one or more Events of Default shall happen and be continuing, the Trustee in its discretion may, and upon the written request of the holders of not less than 25% in principal amount of the then outstanding Trust Certificates shall, by notice in writing delivered to the Owner, declare the principal of all the Trust Certificates

then outstanding to be due and payable, and thereupon the same shall become and be immediately due and payable.

In case the Owner shall fail to pay any instalment of rental payable pursuant to Section 5.04(c) or (d) hereof when and as the same shall have become due and payable hereunder, and such default shall have continued for a period of ten days, the Trustee, in its own name and as trustee of an express trust, shall be entitled and empowered to institute any action or proceedings at law or in equity for the collection of the rentals so due and unpaid, and may prosecute any such action or proceedings to judgment or final decree, and may enforce any such judgment or final decree against the Owner and collect in the manner provided by law out of the property of the Owner (including the Trust Equipment), wherever situated, the moneys adjudged or decreed to be payable (subject to the provisions of the last paragraph of Section 5.04 hereof).

In case there shall be pending proceedings for the bankruptcy or for the reorganization of the Owner under the Bankruptcy Act or any other applicable law, or in case a receiver or trustee shall have been appointed for the property of the Owner, or in case of any other judicial proceedings relative to the winding up or liquidation of the affairs or property of the Owner, or to the creditors or property of the Owner, the Trustee, irrespective of whether the rental payments hereunder or the principal amount of the Trust Certificates shall then be due and payable as herein or therein expressed whether by declaration or otherwise and irrespective of whether the Trustee shall have made any demand or declaration pursuant to the provisions of this Section 6.01, shall be entitled and empowered, by intervention in such proceedings or otherwise, to file and prove a claim or claims for the entire amount of the rentals and to file such other papers or documents as may be necessary or advisable in order to have the claims of the Trustee (including any claim for reasonable compensation to the Trustee, its agents, attorneys and counsel, and for reimbursement of all expenses and liabilities incurred, and all advances made, by the Trustee) and of the holders of the Trust Certificates allowed in such proceedings and to collect and receive any moneys or other property payable or deliverable on any such claims, and to distribute all amounts received with respect to the claims of the holders of the Trust Certificates and of the Trustee on their behalf; and any receiver, assignee or trustee in bankruptcy or reorganization is hereby authorized by each of the holders of the Trust Certificates to make payments to

the Trustee, and, in the event that the Trustee shall consent to the making of payments directly to the holders of the Trust Certificates, to pay to the Trustee such amount as shall be sufficient to cover reasonable compensation to the Trustee, its agents, attorneys and counsel, and all other expenses and liabilities incurred, and all advances made, by the Trustee.

All rights of action and to assert claims under this Agreement, or under any of the Trust Certificates, may be enforced by the Trustee without the possession of any of the Trust Certificates or the production thereof on any trial or other proceedings relative thereto, and any such action or proceeding instituted by the Trustee shall be brought in its own name and as trustee of an express trust, and any recovery of judgment shall be for the ratable benefit of the holders of the Trust Certificates. In any proceedings brought by the Trustee (and also any proceedings involving the interpretation of any provision of this Agreement to which the Trustee shall be a party) the Trustee shall be held to represent all the holders of the Trust Certificates, and it shall not be necessary to make any holders of the Trust Certificates parties to such proceedings.

SECTION 6.02. Remedies. In case an Event of Default shall occur and be continuing and the Trustee shall have declared due and payable the entire amount of the rentals as provided in Section 6.01 hereof, the Trustee may, upon five days' notice and subject to any mandatory requirements of law, by its agents enter upon the premises where any of the Trust Equipment may be and take possession of all or any part of the Trust Equipment and withdraw the same from said premises, retaining all payments which up to that time may have been made on account of rental for the Trust Equipment and otherwise, and shall be entitled to collect, receive, retain and apply in accordance with Section 6.03 hereof all unpaid per diem, mileage or other charges of any kind earned by the Trust Equipment or any part thereof, and may lease the Trust Equipment or any part thereof; or the Trustee may with or without retaking possession sell all or any part of the Trust Equipment, free from any and all claims of the Owner at law or in equity, in one lot and as an entirety or in separate lots, at public or private sale, for cash or upon credit, in its discretion, and may proceed otherwise to enforce its rights and the rights of the holders of the outstanding Trust Certificates in the manner herein provided; provided, however, that if, prior to such sale or the making of a con-

tract therefor, or within 30 days after the Trustee shall have notified the Owner of its intention to take possession, withdraw, or lease the Trust Equipment (which notice the Trustee agrees to furnish in case it intends to take possession, withdraw, or lease), the Owner should tender full payment of the total unpaid principal of all the Trust Certificates then outstanding, together with interest thereon accrued and unpaid and all other amounts due under this Agreement as well as all expenses of the Trustee in taking possession of, storing, preparing the Trust Equipment for, and otherwise arranging for, the sale or leasing of the Trust Equipment, including reasonable attorneys' fees, then in such event absolute right to the possession of, title to and property in the Trust Equipment shall pass to and vest in the Owner. Upon any such public sale, the Trustee itself or any holder of Trust Certificates may bid for the property offered for sale or any part thereof. Any such sale may be held or conducted at such place and at such time as the Trustee may specify, or as may be required by law, and without gathering at the place of sale the Trust Equipment to be sold, and in general in such manner as the Trustee may determine, but so that any sale is held in a commercially reasonable manner and the Owner has received ten day's notice of and has a reasonable opportunity to bid at any such sale. Upon such taking possession or withdrawal or lease or sale of the Trust Equipment, the Owner shall cease to have any rights or remedies in respect of the Trust Equipment hereunder (except as provided in Section 6.03 hereof), but all such rights and remedies shall be deemed thenceforth to have been waived and surrendered by the Owner, and no payments theretofore made by the Owner for the rent or use of the Trust Equipment or any of it shall, in case of the happening of any Event of Default and such taking possession, withdrawal, lease or sale by the Trustee, give to the Owner any legal or equitable interest or title in or to the Trust Equipment or any of it or any cause or right of action at law or in equity in respect of the Trust Equipment against the Trustee or the holders of the outstanding Trust Certificates. No such taking possession, withdrawal, lease or sale of the Trust Equipment by the Trustee shall be a bar to the recovery by the Trustee from the Owner of rentals then or thereafter due and payable, and the Owner (subject to the provisions of the last paragraph of Section 5.04 hereof) shall be and remain liable for the same until such sums shall have been received by the Trustee as, with the proceeds of the lease or sale of the Trust Equipment, shall be sufficient for the discharge and payment in full of all the items mentioned in Section 5.04 hereof (other

than interest not then accrued), whether or not they shall have then matured.

SECTION 6.03. Application of Proceeds. If an Event of Default shall occur and be continuing and the Trustee shall exercise any of the powers conferred upon it by Sections 6.01 and 6.02 hereof, all payments made by the Owner to the Trustee hereunder after such Event of Default, and the proceeds of any judgment collected hereunder from the Owner by the Trustee, and the proceeds of every sale or lease by the Trustee of any of the Trust Equipment, together with any other sums which may then be held by the Trustee under any of the provisions hereof (other than sums held in trust for the payment of specific Trust Certificates pursuant to Section 3.03 hereof), shall be applied by the Trustee to the payment in the following order of priority: (a) of all proper charges, expenses or advances made or incurred by the Trustee in accordance with the provisions of this Agreement, and (b) of the interest then due, with interest on overdue interest at the Penalty Rate to the extent legally enforceable, and of the principal of all the outstanding Trust Certificates, with interest thereon at the Penalty Rate to the extent legally enforceable from the last preceding interest payment date, whether such Trust Certificates shall have then matured by their terms or not, all such payments to be in full if such proceeds shall be sufficient, and if not sufficient, first to the payment of interest then due, with interest on overdue interest to the extent legally enforceable, and second to the principal then outstanding.

If after applying all such sums of money realized by the Trustee as aforesaid there shall remain any amount due to the Trustee under the provisions hereof, the Owner (subject to the provisions of the last paragraph of Section 5.04 hereof) agrees to pay the amount of such deficit to the Trustee. If after applying as aforesaid the sums of money realized by the Trustee there shall remain a surplus in the possession of the Trustee, such surplus shall be paid to the Owner (excluding the Cost of any unit for which the Fair Value has been paid pursuant to Section 5.07).

SECTION 6.04. Waivers of Default. If at any time after the principal of all the Trust Certificates shall have been declared and become due and payable or if at any time after the entire amount of rentals shall have been declared and become due and payable, all as in Section 6.01 hereof provided, but before May 1, 1990, all arrears of rent (with

interest at the Penalty Rate upon any overdue instalments to the extent legally enforceable), the expenses and reasonable compensation of the Trustee, together with all expenses of the trust occasioned by the Owner's default, and all other sums which shall have become due and payable by the Owner hereunder (other than the principal of Trust Certificates and any other rental instalments which shall not at the time have matured according to their terms), shall be paid by the Owner (irrespective of the provisions of the last paragraph of Section 5.04 hereof) before any sale or lease by the Trustee of any of the Trust Equipment, and every other default in the observance or performance of any covenant or condition hereof shall be made good or secured to the satisfaction of the Trustee, or provision deemed by the Trustee to be adequate shall be made therefor, then, and in every such case, the Trustee, if so requested or consented to by the holders of two-thirds of the principal amount of Trust Certificates then outstanding, shall by written notice to the Owner waive the default by reason of which there shall have been such declaration or declarations and the consequences of such default, but no such waiver shall extend to or affect any subsequent default or impair any right consequent thereon.

SECTION 6.05. Obligations of Owner Not Affected by Remedies. No retaking of possession of the Trust Equipment by the Trustee, or any withdrawal, lease or sale thereof, nor any action or failure or omission to act against the Owner or in respect of the Trust Equipment, on the part of the Trustee or on the part of the holder of any Trust Certificate, nor any delay or indulgence granted to the Owner by the Trustee or by any such holder shall affect the obligations of the Owner hereunder. The Owner hereby waives presentation and demand in respect of any of the Trust Certificates and waives notice of presentation, of demand and of any default in the payment of the principal of and interest on the Trust Certificates.

SECTION 6.06. Owner to Deliver Trust Equipment to Trustee. In case the Trustee shall demand possession of the Trust Equipment pursuant to the provisions hereof, the Owner shall at its own expense (subject to the provisions of the last paragraph of Section 5.04 hereof) promptly cause the Trust Equipment to be transported to such point or points as shall reasonably be designated by the Trustee and shall there deliver or cause to be delivered the same to the Trustee, or the Trustee may at its option keep the Trust Equipment, without expense to the Trustee, on any lines of railroad or prem-

ises approved by the Trustee until the Trustee shall have leased, sold or otherwise disposed of the same. It is hereby expressly covenanted and agreed that the performance of the aforesaid covenant is of the essence of this Agreement and that upon application to any court having jurisdiction in the premises, the Trustee shall be entitled to a decree against the Owner requiring the specific performance thereof.

SECTION 6.07. Trustee to Give Notice of Default. The Trustee shall give to the holders of the Trust Certificates notice of each Event of Default hereunder known to the Trustee, within 30 days after it learns of the same, unless remedied or cured before the giving of such notice.

SECTION 6.08. Control by Holders of Trust Certificates. The holders of a majority in aggregate unpaid principal amount of the then outstanding Trust Certificates, by an instrument or instruments in writing executed and delivered to the Trustee, shall have the right to direct the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred on the Trustee; provided, however, that the Trustee shall have the right to decline to follow any such direction if the Trustee shall be advised by counsel that the action so directed would be in conflict with any other provision of this Agreement or any rule of law.

SECTION 6.09. Unconditional Right of Holders of Trust Certificates to Sue for Principal and Interest. Notwithstanding any other provision in this Agreement, the right of any holder of any Trust Certificate to receive payment of the principal of, and interest on, such Trust Certificate, on or after the respective due dates expressed in such Trust Certificate, or to institute suit (subject to the provisions of the last paragraph of Section 5.04) for the enforcement of any such payment on or after such respective dates, shall not be impaired or affected without the consent of such holder, except that no such suit shall be instituted if and to the extent that the institution or prosecution thereof or the entry therein would, under applicable law, result in the surrender, impairment, waiver or loss of the security title reserved under this Agreement upon any property subject hereto.

SECTION 6.10. Remedies Cumulative; Subject to Mandatory Requirements of Law. The remedies in this Agreement provided in favor of the Trustee and the holders of the Trust

Certificates, or any of them, shall not be deemed exclusive, but shall be cumulative, and shall be in addition to all other remedies in their favor existing at law or in equity and such remedies so provided in this Agreement shall be subject in all respects to any mandatory requirements of law at the time applicable thereto, to the extent such requirements may not be waived on the part of the Owner.

ARTICLE SEVEN

Additional Covenants and Agreements by the Owner

SECTION 7.01. Discharge of Liens. The Owner covenants and agrees that, subject to the provisions of Section 5.04 hereof, it will pay and discharge, or cause to be paid and discharged or make adequate provision for the satisfaction or discharge of, any debt, tax, charge, assessment, obligation or claim which if unpaid might become a lien or charge upon or against any of the Trust Equipment, except upon the interest of the Owner in the Trust Equipment as such interest is subordinate hereto, or of the leasehold interest of the Lessee in the Trust Equipment; provided, however, that this provision shall not require the payment of any such debt, tax, charge, assessment, obligation or claim so long as the validity thereof shall be contested in good faith and by appropriate legal proceedings, provided that such contest will not materially endanger the rights or interests of the Trustee or of the holders of the Trust Certificates and the Owner shall have furnished the Trustee with an Opinion of Counsel to such effect. If the Owner does not forthwith pay and discharge, or cause to be paid and discharged, or make adequate provision for the satisfaction or discharge of, any such debt, tax, charge, assessment, obligation or claim as required by this Section 7.01, the Trustee may, but shall not be obligated to, pay and discharge the same and any amounts so paid shall be secured by and under this Agreement until reimbursed by the Owner.

SECTION 7.02. Recording. The Owner will, promptly after the execution and delivery of this Agreement, the Lease, the Lease Assignment and each supplement hereto and thereto, respectively, cause this Agreement, the Lease, the Lease Assignment and each such supplement to be duly filed and recorded with the Interstate Commerce Commission in accordance with Section 20c of the Interstate Commerce Act. The

Owner will from time to time do and perform any other act and will execute, acknowledge, deliver and file, register and record any and all further instruments required by law or reasonably requested by the Trustee for the purposes of proper protection of the security title of the Trustee and the rights of the holders of the Trust Certificates and of fully carrying out and effectuating this Agreement and the intent hereof, and will furnish an Opinion or Opinions of Counsel in connection with such filing, registration, and recordation; provided, however, that the Owner shall not be required to take any such action in respect of any jurisdiction outside the United States if (a) the Owner deems such action to be unduly burdensome and (b) after giving effect to the failure to take such action, the Owner has taken all action required by law to protect the security title of the Trustee to units of Trust Equipment having a Fair Value of not less than 85% of the aggregate Fair Value of all Trust Equipment.

SECTION 7.03. Further Assurances. The Owner covenants and agrees from time to time to do all such acts and execute all such instruments of further assurance as shall be reasonably requested by the Trustee to do or execute for the purpose of fully carrying out and effectuating this Agreement and the intent hereof.

ARTICLE EIGHT

Concerning the Holders of Trust Certificates

SECTION 8.01. Evidence of Action Taken by Holders of Trust Certificates. Whenever in this Agreement it is provided that the holders of a specified percentage in aggregate principal amount of the outstanding Trust Certificates may take any action (including the making of any demand or request, the giving of any notice, consent or waiver or the taking of any other action), the fact that at the time of taking any such action the holders of such specified percentage have joined therein may be evidenced by any instrument or any number of instruments of similar tenor executed by holders of Trust Certificates in person or by agent or proxy appointed in writing.

SECTION 8.02. Proof of Execution of Instruments and of Holding of Trust Certificates. Proof of the execution of any instrument by a holder of Trust Certificates or his

agent or proxy and proof of the holding by any person of any of the Trust Certificates shall be sufficient if made in the following manner:

The fact and date of the execution by any such person of any instrument may be proved by the certificate of any notary public or other officer of any jurisdiction within the United States of America authorized to administer oaths or to take acknowledgments of deeds to be recorded in such jurisdiction that the person executing such instrument acknowledged to him the execution thereof, or by an affidavit of a witness to such execution sworn to before any such notary or other such officer.

The ownership of Trust Certificates may be proved by the register of such Trust Certificates to be kept as provided in Section 2.03(e) hereof.

SECTION 8.03. Trust Certificates Owned by the Owner or the Lessee. In determining whether the holders of the requisite principal amount of the Trust Certificates have concurred in any direction, request or consent under this Agreement, Trust Certificates which are owned by the Owner, by the Lessee or by an affiliate of the Owner or the Lessee shall be disregarded, except that for the purpose of determining whether the Trustee shall be protected in relying on any such direction, request or consent, only Trust Certificates which the Trustee knows are owned shall be disregarded, and except that this Section 8.03 shall not be applicable to the Owner or an affiliate of the Owner if all the Trust Certificates are owned by the Owner or by one or more affiliates of the Owner.

SECTION 8.04. Right of Revocation of Action Taken. At any time prior to (but not after) the evidencing to the Trustee, as provided in Section 8.01 hereof, of the taking of any action by the holders of the required percentage in aggregate principal amount of the outstanding Trust Certificates specified in this Agreement, any holder of a Trust Certificate may, by filing written notice with the Trustee at the Corporate Trust Office and upon proof of holding as provided in Section 8.02 hereof, revoke such action in so far as concerns such Trust Certificate. Except as aforesaid, any such action taken by the holder of any Trust Certificate shall be conclusive and binding upon such holder and upon all future holders and owners of such Trust Certificate and of any Trust Certificate issued in exchange or substitution

therefor, irrespective of whether or not any notation in regard thereto is made upon such Trust Certificate. Any action taken by the holders of the required percentage in aggregate principal amount of the outstanding Trust Certificates specified in this Agreement shall be conclusive and binding upon the Owner, the Trustee and the holders of all the Trust Certificates.

ARTICLE NINE

The Trustee

SECTION 9.01. Acceptance of Trust. The Trustee hereby accepts the trust imposed upon it by this Agreement and covenants and agrees to perform the same as herein expressed.

SECTION 9.02. Duties and Responsibilities of the Trustee. The Trustee shall exercise such of the rights and powers vested in it by this Agreement, and use the same degree of care and skill in their exercise, as a prudent man would exercise or use under the circumstances in the conduct of his own affairs.

No provision of this Agreement shall be construed to relieve the Trustee from liability for its own negligent action, its own negligent failure to act, or its own willful misconduct, except that

(a) prior to the occurrence of an Event of Default and after the curing of all Events of Default which may have occurred:

(1) the duties and obligations of the Trustee shall be determined solely by the express provisions of this Agreement, and the Trustee shall not be liable except for the performance of such duties and obligations as are specifically set forth in this Agreement, and no implied covenants or obligations shall be read into this Agreement against the Trustee; and

(2) in the absence of bad faith on the part of the Trustee, the Trustee may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon any certifi-

icates or opinions furnished to the Trustee and conforming to the requirements of this Agreement; but in the case of any such certificates or opinions which by any provision hereof are specifically required to be furnished to the Trustee, the Trustee shall be under a duty to examine the same to determine whether or not they conform to the requirements of this Agreement;

(b) the Trustee shall not be liable for any error of judgment made in good faith, unless it shall be proved that the Trustee was negligent in ascertaining the pertinent facts or that its action or inaction was contrary to the express provisions of this Agreement;

(c) the Trustee shall not be liable with respect to any action taken or omitted to be taken by it in good faith in accordance with the direction of the holders of a majority in aggregate unpaid principal amount of the then outstanding Trust Certificates relating to the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust power conferred upon the Trustee, under this Agreement;

(d) the Trustee may rely and shall be protected in acting or refraining from acting upon any resolution, certificate, statement, instrument, opinion, report, notice, request, consent, order, Trust Certificate, guaranty or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or parties;

(who shall be Messrs Cravath Swaine & Moore, special counsel for the Purchasers and the Trustee)

(e) the Trustee may consult with counsel, and any Opinion of Counsel shall be full and complete authorization and protection in respect of any action taken or suffered by it hereunder in good faith and in accordance with such Opinion of Counsel and not contrary to any express provision of this Agreement;

(f) the Trustee shall be under no obligation to exercise any of its rights or powers vested in it by this Agreement at the request, order or direction of any of the holders of the Trust Certificates, pursuant to the provisions of this Agreement, unless such holders shall have offered to the Trustee reasonable security or indemnity against the costs, expenses and liabilities

which might be incurred therein or thereby to the extent such security or indemnity shall not be furnished by the Owner or the Lessee pursuant to the provisions hereof or of the Lease; and

(g) the Trustee shall not be liable for any action taken by it in good faith and believed by it to be authorized or within the discretion or rights or powers conferred upon it by this Agreement.

SECTION 9.03. Application of Rentals; Responsibility of Trustee to Insure or Record. The Trustee covenants and agrees to apply and distribute the rentals received by it under Section 5.04 hereof when and as the same shall be received, and to the extent that such rentals shall be sufficient therefor, for the purposes specified in said Section 5.04.

The Trustee shall not be required to undertake any act or duty in the way of insuring, taking care of or taking possession of the Trust Equipment or to undertake any other act or duty under this Agreement (except pursuant to express provisions hereof) until fully indemnified to its satisfaction by the Owner or by one or more of the holders of the Trust Certificates against all liability and expenses; and the Trustee shall not be responsible for the filing or recording or refiling or rerecording of this Agreement or of any supplement hereto.

SECTION 9.04. Funds May be Held by Trustee. Any moneys at any time paid to or held by the Trustee hereunder until paid out by the Trustee as herein provided may be carried as a general deposit and need not be segregated from other funds except to the extent required by law. The Trustee shall not be under any liability for interest on any moneys received by it hereunder except such as it may agree with the Owner to pay thereon.

SECTION 9.05. Trustee Not Liable for Delivery Delays or Defects in Equipment of Title. The Trustee shall not be liable to anyone for any delay in the delivery of any of the Trust Equipment, or for any default on the part of the Manufacturer thereof or of the Owner, or for any defect in any of the Trust Equipment or in the title thereto, nor shall anything herein be construed as a warranty on the part of the Trustee in respect thereof or as a representation in respect of the value thereof or in respect of the title thereto.

The Trustee may perform its powers and duties hereunder by or through such attorneys, agents and servants as it shall appoint, and shall be entitled to rely upon an Opinion of Counsel, and shall be answerable for only its own acts, negligence and willful defaults and not for the default or misconduct of any attorney, agent or servant appointed by it with reasonable care and in good faith. The Trustee shall not be responsible in any way for the recitals herein contained or for the execution or validity of this Agreement or of the Trust Certificates (except for its own execution thereof), or for any mistake of fact or law.

The Trustee shall be entitled to receive payment of all its expenses and disbursements hereunder, including reasonable counsel fees, and to receive reasonable compensation for all services rendered by it in the execution of the trust hereby created, all of which shall be paid by the Owner.

The Trustee in its individual capacity may own, hold and dispose of Trust Certificates with the same rights which it would have if it were not Trustee.

Any moneys at any time held by the Trustee hereunder shall, until paid out by the Trustee as herein provided, be held by it in trust as herein provided for the benefit of the holders of the Trust Certificates.

SECTION 9.06. Resignation and Removal; Appointment of Successor Trustee. (a) The Trustee may resign and be discharged of the trust created by this Agreement by giving 30 days' written notice to the Owner, the Lessee and the holders of the then outstanding Trust Certificates, but such resignation shall not take effect until receipt by the Trustee of an instrument of acceptance executed by a successor trustee as hereinafter provided in Section 9.07 hereof.

(b) The Trustee may be removed at any time by an instrument in writing signed by the holders of a majority in principal amount of the Trust Certificates then outstanding, delivered to the Trustee and to the Owner.

(c) If at any time the Trustee shall resign or be removed or otherwise become incapable of acting or if at any time a vacancy shall occur in the office of the Trustee for any other cause, a successor trustee may be appointed by the holders of a majority of the aggregate principal amount

of the then outstanding Trust Certificates by an instrument in writing delivered to the Owner and the Trustee. Until a successor trustee shall be appointed by the holders of Trust Certificates as herein authorized, the Owner, by an instrument in writing, shall appoint a trustee to fill such vacancy. A successor trustee so appointed by the Owner shall immediately and without further act be superseded by a successor trustee appointed by the holders of Trust Certificates in the manner provided above. Every successor trustee appointed pursuant to this Section 9.06 shall be a national bank, or a bank or trust company incorporated under the laws of the State of New York, having its principal office in the Borough of Manhattan in The City of New York, and having capital and surplus of not less than \$100,000,000, if there be such an institution willing, qualified and able to accept the trust upon reasonable or customary terms.

(d) The Owner shall give notice of each resignation, removal or incapacity of the then Trustee or of a vacancy occurring in the office of the Trustee for any other cause and of each appointment by the Owner of a successor trustee pursuant to paragraph (c) of this Section 9.06 by mailing written notice of such event by first class mail, postage prepaid, to the holders of all outstanding Trust Certificates.

SECTION 9.07. Acceptance of Appointment by Successor Trustee. Any successor trustee appointed as provided in Section 9.06 hereof shall execute, acknowledge and deliver to the Owner and to its predecessor trustee an instrument accepting such appointment hereunder, and thereupon the resignation or removal of the predecessor trustee shall become effective and such successor trustee, without any further act, deed or conveyance, shall become vested with all the rights, powers, duties and obligations of its predecessor hereunder, with like effect as if originally named as Trustee herein; but, nevertheless, on the written request of the Owner or of the successor trustee, upon payment of its charges then unpaid, the trustee ceasing to act shall execute and deliver an instrument transferring to such successor trustee all the rights and powers of the trustee so ceasing to act. Upon request of any such successor trustee, the Owner shall execute any and all instruments in writing for more fully and certainly vesting in and confirming to such successor trustee all such rights and powers. Any trustee ceasing to act shall, nevertheless, retain a lien upon all property or funds held or collected by such trustee to secure any amounts then due it pursuant to the provisions of Section 9.05 hereof.

SECTION 9.08. Merger or Consolidation of Trustee.

Any corporation into which the Trustee may be merged or with which it may be consolidated or any corporation resulting from any merger or consolidation to which the Trustee shall be a party or any corporation succeeding to all or substantially all the corporate trust business of the Trustee shall be the successor of the Trustee hereunder, provided that such corporation shall be qualified under the provisions of Section 9.06 hereof, without the execution or filing of any paper or any further act on the part of any of the parties hereto, anything herein to the contrary notwithstanding.

ARTICLE TEN

Miscellaneous

SECTION 10.01 Rights Confined to Parties and Holders. Nothing expressed or implied herein is intended or shall be construed to confer upon or to give to any person, other than the parties hereto and the holders of the Trust Certificates, any right, remedy or claim under or by reason of this Agreement or of any term, covenant or condition hereof, and all the terms, covenants, conditions, promises and agreements contained herein shall be for the sole and exclusive benefit of the parties hereto and their successors and the holders of the Trust Certificates.

SECTION 10.02. No Recourse. No recourse under or upon any obligation, covenant or agreement of this Agreement, or for any claim based thereon or otherwise in respect thereof shall be had against any stockholder, officer or director, as such, past, present or future, of the Owner or against the Beneficiary, by the enforcement of any assessment or by any legal or equitable proceeding, by virtue of any statute or otherwise; it being expressly agreed and understood that this Agreement is solely a corporate obligation, and that no personal liability whatever shall attach to or be incurred by the stockholders, officers or directors, as such, of the Owner, under or by reason of any of the obligations covenants and agreements contained in this Agreement, or implied therefrom, and that any and all personal liability, either at common law or in equity, or by statute or constitution, of every such stockholder, officer or director is hereby expressly waived as a condition of and consideration for the execution of this Agreement.

It is expressly understood and agreed by and between the parties hereto, anything herein to the contrary notwithstanding, that each of and all the representations, covenants, undertakings and agreements herein made on the part of the Owner, are made and intended not as personal representations, covenants, undertakings and agreements by First Security Bank of Utah, National Association, or for the purpose or with the intention of binding such national association personally but are made and intended for the purpose of binding only the Trust Estate as such term is used in the Trust Agreement, and this Agreement is executed and delivered by such national association not in its own right but solely in the exercise of the powers expressly conferred on it as trustee under the Trust Agreement. The term Owner, as used herein, shall refer to any successor trustee appointed pursuant to the Trust Agreement.

SECTION 10.03. Binding Upon Assigns. Except as otherwise provided herein, the provisions of this Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and assigns.

SECTION 10.04. Notices. All demands, notices and communications hereunder shall be in writing and shall be deemed to have been duly given if personally delivered or mailed by registered mail (a) to the Owner at the address set forth for the Owner in the Lease or such other address as may hereafter be furnished to the Trustee in writing by the Owner and (b) to the Trustee at the Corporate Trust Office, or at such other address as may hereafter be furnished to the Owner in writing by the Trustee. An affidavit by any person representing or acting on behalf of the Owner or the Trustee, as the case may be, as to such mailing, having the registry receipt attached, shall be conclusive evidence of the giving of such demand, notice or communication.

SECTION 10.05. Amendment or Waiver. Any provision of this Agreement may be amended, by an instrument executed by the parties hereto, or waived, in either case with the written consent of the holders of not less than 66-2/3% of the aggregate unpaid principal amount of Trust Certificates then outstanding; provided, however, that no such amendment or waiver shall (a) reduce the amount of principal, change the amount or dates of payment of instalments of principal or reduce the rate or extend the time of payment of interest with respect to the Trust Certificates without the consent of the holder of each Trust Certificate so affected, (b) reduce

the amount of or extend the time of payment of any rentals payable under this Agreement or release or provide for the release of any of the Trust Equipment or any other property or cash held by the Trustee in trust, otherwise than as expressly permitted by the present terms of this Agreement, without the consent of the holders of 100% of the aggregate unpaid principal amount of Trust Certificates then outstanding, or (c) reduce the percentage of the aggregate unpaid principal amount of Trust Certificates then outstanding, the holders of which are required to approve any amendment or to effect any waiver.

The Trustee may consent to any amendment or waiver in respect of the Lease, without the approval of the holders of the Trust Certificates, if such amendment or waiver does not adversely affect the interests of the holders of the Trust Certificates. Any other amendment or waiver in respect of the Lease may be consented to by the Trustee with the written approval of the holders of not less than 66-2/3% of the aggregate principal amount of the Trust Certificates outstanding; provided, however, that, if such amendment or waiver would reduce the amount of or extend the time for payment of any rentals or other obligations under the Lease in a manner so as to affect the due and punctual payment of the principal of and interest on the Trust Certificates and the other obligations of the Owner hereunder, the Trustee shall not consent thereto without the prior written approval of the holders of 100% of the aggregate unpaid principal amount of Trust Certificates then outstanding. The holders shall receive 30 days' prior written notice of any amendment pursuant to this Section 10.05.

SECTION 10.06. Satisfaction of Obligations.

The obligations of the Owner under Sections 5.06, 5.07, 5.09, 6.06, 7.01 and 7.02 and the third paragraph of Section 9.05 hereof, but excluding any provisions requiring the execution of any instrument by the Owner, shall be deemed in all respects satisfied and be of no further force or effect in so far as they involve personal liability of the Owner, other than out of "income and proceeds from the Trust Equipment" (as defined in Section 5.04 hereof), upon the execution and delivery of the Lease; provided, however, that such covenants and obligations shall be deemed covenants of the Owner within the meaning of subparagraphs (a), (b) and (c) of the first paragraph of Section 6.01 hereof (it being the intention of the parties hereto that the Owner and any of its properties shall not be subject to any liability for

any breach or alleged breach by it of any such covenant or obligation except out of the "income and proceeds from the Trust Equipment", but that any such breach may be made the basis of an event of default under said Section 6.01). No waiver or amendment of the Lessee's undertakings under the Lease shall be effective unless joined in by the Trustee.

SECTION 10.07. Effect of Headings; Counterparts; Date Executed; Governing Law. (a) The Article and Section headings herein are for convenience only and shall not affect the construction hereof.

(b) This Agreement may be executed in several counterparts each of which shall be deemed to be an original, and all such counterparts shall together constitute but one and the same instrument.

(c) This Agreement shall be deemed to have been executed on the date of the acknowledgment thereof by the officer of the Trustee who signed it on behalf of the Trustee.

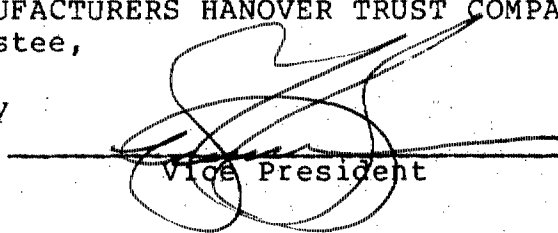
(d) The provisions of this Agreement, and all the rights and obligations of the parties hereunder, shall be governed by the laws of the State of New York.

(e) Any provision of this Agreement which is prohibited or unenforceable in any jurisdiction shall be, as to such jurisdiction, ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

IN WITNESS WHEREOF, the parties hereto, each pursuant to due corporate authority, have caused this instrument to be duly executed as of the date first above written.

MANUFACTURERS HANOVER TRUST COMPANY,
Trustee,

by


Vice President

[CORPORATE SEAL]

Attest:


Assistant Secretary

FIRST SECURITY BANK OF UTAH,
NATIONAL ASSOCIATION, not in
its individual capacity, but
solely as trustee under a Trust
Agreement dated as of January 1,
1975, with Steiner Sea, Air &
Rail Co.,

by

Authorized Officer

[CORPORATE SEAL]

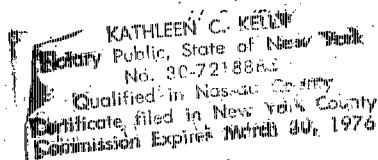
Attest:

Authorized Officer

STATE OF NEW YORK,)
) ss.:
COUNTY OF NEW YORK,)

On this 29th day of APRIL, 1975, before me personally appeared T. C. CRANE, to me personally known, who, being by me duly sworn, says that he is a Vice President of MANUFACTURERS HANOVER TRUST COMPANY, that one of the seals affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

[NOTARIAL SEAL]



STATE OF UTAH,)
) ss.:
COUNTY OF SALT LAKE,)

On this 29th day of APRIL, 1975, before me personally appeared _____, to me personally known, who, being by me duly sworn, says that he is an Authorized Officer of FIRST SECURITY BANK OF UTAH, NATIONAL ASSOCIATION, that one of the seals affixed to the foregoing instrument is the corporate seal of said association, that said instrument was signed and sealed on behalf of said association by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said association.

[NOTARIAL SEAL]

Kathleen C. Kelly
Notary Public

SCHEDULE A

<u>Type</u>	<u>AAR Mechanical Designation</u>	<u>Quantity</u>	<u>Lessee's Car Numbers (Inclusive)</u>
89'4" 70-ton capacity, hydraulic draft gear, low level flat car	FC	168	850322, 850323, 850325, 850326, 850328, 850329, 850334-850494, 850499